

**PUBLIC NOTICE AND AGENDA OF THE GROVELAND CITY COUNCIL MEETING  
SCHEDULED TO CONVENE AT 7:00 P.M., MONDAY, MAY 4, 2015 IN THE E.L. PURYEAR  
BUILDING LOCATED AT 243 S. LAKE AVENUE, GROVELAND, FLORIDA**

MAYOR	TIM LOUCKS	tim.loucks@groveland-fl.gov
VICE-MAYOR	JOHN GRIFFIN	john.griffin@groveland-fl.gov
COUNCIL MEMBER	JAMES SMITH	james.smith@groveland-fl.gov
COUNCIL MEMBER	DINA SWEATT	dina.sweatt@groveland-fl.gov
COUNCIL MEMBER	EVELYN WILSON	evelyn.wilson@groveland-fl.gov
CITY ATTORNEY	ANITA GERACI-CARVER, ESQ.	
CITY MANAGER	REDMOND D. JONES, II	redmond.jones@groveland-fl.gov
CITY CLERK	TERESA BEGLEY	teresa.begley@groveland-fl.gov
SERGEANT-AT-ARMS	CHIEF M. SMITH TENNYSON	melvin.tennyson@groveland-fl.gov

**Please note:** Most written communication to or from government officials regarding government business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

**AGENDA**

**Call to Order**

**Opening Ceremonies**

- a. Pledge of Allegiance
- b. Invocation

**Roll Call**

**Reports**

- a. City Council Member Reports
- b. City Manager's Report
- c. City Attorney's Report
- d. Citizen Advisory Reports

**Consent Agenda**

- Approval of City Council Meeting Minutes 04-20-2015

**Guest Speakers, Presentations and Proclamations**

1. Letter of Commendation – Sergeant Shane Mowery
2. Employee Recognition – Andy Sapp
3. Employee Benchmark Recognition
4. SR 50 Realignment Project Design Presentation

**New Business**

5. Revised Interlocal Agreement Regarding the HOME Investment Partnerships Program between Lake County and the Cities of Eustis, Groveland and Leesburg, FL
6. Green Valley Reclaimed Tank Fill Line Project
7. Award RFP for 2012A Note Refinancing to CenterState Bank
8. Loan Agreement between CenterState Bank and the City of Groveland

9. Resolution 2015-05-04: Bank Loan Refinance
10. Ordinance 2015-05-06: Economic Development Business Incentives

### **Public Comments\***

### **Announcements**

### **Adjournment**

***\*Groveland Code of Ordinances Sec. 2-58 (f).*** Any person desiring to address the council shall first secure the permission of the presiding officer and shall give his name and address for the record. All remarks shall be addressed to the council as a body and not to any member thereof unless permission to do so is first granted by the presiding officer. Unless further time is granted by the presiding officer or the council, members of the public shall limit their discussion or address to no more than five minutes. No question shall be asked a councilmember or city official except through the presiding officer. If your address is exempt from public record you are not required to state it. In addition do not give out your Social Security Number, phone number, email address or any other information you do not want others to have access to as the meetings are recorded and those recordings are considered public record.

Pursuant to the provisions of Chap. 286, F.S., Sec. 286.0105, if a person decides to appeal any decision made by this body with respect to any matter considered at this meeting, he or she will need a record of the proceedings, and that for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record may include the testimony and evidence upon which the appeal is to be based and is advised to make such arrangements at his or her own expense.

# ***City of Groveland***

## **Minutes**

### **City Council**

Monday, April 20, 2015

The Groveland City Council met in a regular meeting on Monday, April 20, 2015 in the E.L. Puryear Building located at 243 S. Lake Avenue. Mayor Tim Loucks called the meeting to order at 7:05pm with the following members present: Council Members James Smith, Dina Sweatt, and Evelyn Wilson. City officials present were: City Attorney Anita Geraci-Carver, City Manager Redmond Jones, City Clerk Teresa Begley and Sergeant-at-Arms Chief M. Smith Tennyson. Absent was Vice Mayor John Griffin.

### **OPENING CEREMONIES**

The meeting opened with the Pledge of Allegiance lead by Council Member Smith followed by the invocation given by Council Member Sweatt.

*Council Member Smith moved to give Vice Mayor Griffin an excused absence for an illness. The motion was approved with all members present voting aye.*

### **REPORTS**

#### **a. Council Member Reports**

- **Council Member Sweatt** attended the Lake County Chamber of Commerce Breakfast and the FLC CRA Summit
- **Council Member Wilson** attended the FLC CRA Summit then the Garden Federation Conference in South Florida over the weekend. Community gardens were discussed at length as a viable program that creates community, unity and assists with neighborhood redevelopment.

#### **b. City Manager's Report**

- **Water Rate Study** – received the preliminary analysis report which staff will be reviewing and will make assessments related to developing a timeline and strategy as to engaging the water rate study process.
- **CM Box Car Racing** – expressed interest in resuming partnership with the City despite executing the termination clause of their contract on April 6. The City has agreed to allow the racing to continue during the 60 termination period in order for the race season to be completed.
- **SR 50 Realignment Update** – FDOT District 5 has agreed to pursue a funding strategy that would include the SR 50 Realignment Project into their 5-year plan. Staff is exploring strategies that could expedite the project as well as a municipal complex. In addition the city manager and city attorney met with the vacant downtown property owners' representative Mr. Morgan Booth regarding a partnership for usage of the property. The meeting was productive and the City agreed the stipulations of the representative. The agreement is not official only preliminary as the City has no current need to utilize this property at this time.
- **Goal Setting Consultant** – Lyle Sumek Associates has accepted the new scope of work and asked if the Council would prefer a workday or Saturday to hold the

retreat. The council gave their availability and stated that they were open to any day but preferred a week date instead of a weekend date.

- **Thermal Camera Incident** – the benefits of the approval of last year's budget continues to payoff for our citizens. The fire department was called to a home when the owners continued to smell something burning within the home. The firefighters used their recently purchased Thermal Imaging Camera to locate a faulty GFI Outlet that was arcing internally melting the plastic. If left unattended this problem could have resulted in a much larger life threatening problem.

**c. City Attorney's Report**

Reminded the Council about the upcoming Shade Meetings.

**CONSENT AGENDA**

- **Approval of City Council Meeting Minutes 04-06-2015**

*Council Member Sweatt moved to approve; seconded by Council Member Smith. The motion was approved with all members present voting aye.*

**GUEST SPEAKERS, PRESENTATIONS AND PROCLAMATIONS**

1. **Police Department Citizens Advisory Board – presented by Chief M. Smith Tennyson**

*Chief Tennyson introduced Ofc. Jamal Hickman as the department's newest officer. Then he announced to the Council that he had promoted Ofc. Gary Revelt to corporal today as a recent resignation created a vacancy. Mayor Loucks asked that Ofc. Hickman and Cpl. Revelt come stand with Council for a photo and stated he was very proud of each officer and as well as the department.*

**NEW BUSINESS**

2. **Sunshine Water Treatment Plant Upgrade Contract**

*Council Member Smith moved to approve; seconded by Council Member Wilson. The motion was approved with all members present voting aye.*

3. **Award RFP for 2012A Note Refinancing to CenterState Bank**

*Council Member Smith moved to approve. Mayor Loucks passed the gavel to Council Member Sweatt in order to second the motion. Mayor Loucks seconded the motion to approve. The motion failed with a tie vote as follows: Council Member Smith-aye, Mayor Loucks-aye, Council Member Wilson-nay, and Council Member Sweatt-nay.*

**OPEN FORUM**

**COUNCIL ANNOUNCEMENTS**

*Council Member Wilson stated that she wanted to address comments made about her by citizens at the last council meeting. She read from a prepared statement and submitted that document to the city clerk to be added to the record.*

**ADJOURNMENT**

*Mayor Loucks adjourned the meeting 9:10pm.*

Attest:



---

Tim Loucks, Mayor

---

Teresa Begley, City Clerk



## REQUEST FOR CITY COUNCIL CONSIDERATION

<b>MEETING DATE:</b> May 4, 2015
----------------------------------

<b>AGENDA ITEM:</b>	<b>Letter of Commendation – Sergeant Shane Mowery</b>
---------------------	---

<b>CITY GOAL:</b>	Promote quality of life including public safety, community pride Events, strong citizen involvement, parks and recreation Opportunities and investment.
-------------------	---

<b>PREPARED BY:</b>	Christie Higdon, HR Manager
---------------------	-----------------------------

<b>DATE:</b>	April 23, 2015
--------------	----------------

**BACKGROUND:** From March 1<sup>st</sup> thru March 14, 2015 the City of Groveland Police Department participated in “Click it or Ticket” Safety Campaign. During the campaign 155 total stops were made, of those 155 stops, Sergeant Shane Mowery conducted 86 of them. Sergeant Mowery showed efforts and dedication to ensuring the safe travels of motorists within the City.

<b>STAFF RECOMMENDATION:</b>	Present Sgt. Mowery with Commendation
------------------------------	---------------------------------------

<b>REVIEWED BY CITY MANAGER:</b>
----------------------------------

<b>COUNCIL ACTION:</b>
------------------------

<b>MOTION BY:</b>
-------------------

<b>SECOND BY:</b>
-------------------



## REQUEST FOR CITY COUNCIL CONSIDERATION

<b>MEETING DATE:</b> May 4, 2015
----------------------------------

<b>AGENDA ITEM:</b>	<b>Employee Recognition – Andy Sapp</b>
---------------------	---

<b>CITY GOAL:</b>	Develop, maintain and rebuild safe, clean, diverse, healthy, neighborhoods, including Partnering with the School District.
-------------------	--

<b>PREPARED BY:</b>	Christie Higdon, HR Manager
---------------------	-----------------------------

<b>DATE:</b>	April 23, 2015
--------------	----------------

**BACKGROUND:** Andy started working for the City of Groveland on September 10, 2007. From day one he has been a valuable asset to the City. Andy is always willing to go above and beyond to get the job done. He is held in high regards by his peers in every department as well as supervisors.

For this reason I would like to recognize Andy Sapp for all of his hard work and dedication to the City of Groveland.

<b>STAFF RECOMMENDATION:</b> Recognize Andy Sapp
--

<b>REVIEWED BY CITY MANAGER:</b>
----------------------------------

<b>COUNCIL ACTION:</b>
------------------------

<b>MOTION BY:</b>
-------------------

<b>SECOND BY:</b>
-------------------



## REQUEST FOR CITY COUNCIL CONSIDERATION

**MEETING DATE:** May 4, 2015

**AGENDA ITEM:** Employee Benchmark Recognition

**CITY GOAL:** Develop, maintain and rebuild safe, clean, diverse, healthy, neighborhoods, including Partnering with the School District.

**PREPARED BY:** Christie Higdon, HR Manager

**DATE:** April 24, 2015

**BACKGROUND:** We would like to recognize the following employees for their years of service with the City of Groveland. We are fortunate to have each of these employees working for the City of Groveland and want to thank each of them for their continued dedication and hard work.

**Five Years**

Michael Ridge

**Hire Date**

April 4, 2010

**Department**

Fire

**Ten Years**

Teresa Begley

**Hire Date**

May 4, 2015

**Department**

Administration

**Fifteen Years**

Jesse Baker

**Hire Date**

May 22, 2015

**Department**

Police

**STAFF RECOMMENDATION:** Recognize each employee for reaching a benchmark year

**REVIEWED BY CITY MANAGER:**

**COUNCIL ACTION:**

**MOTION BY:**

**SECOND BY:**





## REQUEST FOR CITY COUNCIL CONSIDERATION

<b>MEETING DATE:</b> May 4, 2015
----------------------------------

<b>AGENDA ITEM:</b>	<b>SR 50 Realignment Project Design Presentation</b>
---------------------	--

<b>CITY GOAL:</b>	Develop, maintain and rebuild safe, clean, diverse, healthy, neighborhoods, including partnering with the school district.
-------------------	--

<b>PREPARED BY:</b>	Teresa Begley
---------------------	---------------

<b>DATE:</b>	April 27, 2015
--------------	----------------

**BACKGROUND:** This presentation provides the results of 80% of the design project. At 90% the design will be submitted to the state for funding.

A public meeting will be held **Tuesday, May 19, 2015 from 6 p.m. to 8 p.m.**, at the E.L. Puryear Building. The meeting format will be an informal open house to provide the opportunity for individuals to drop by any time between 6 p.m. and 8 p.m. to review project information and to discuss the project with project staff.

<b>STAFF RECOMMENDATION:</b> As desired
---

<b>REVIEWED BY CITY MANAGER:</b>
----------------------------------

<b>COUNCIL ACTION:</b>
------------------------

<b>MOTION BY:</b>
-------------------

<b>SECOND BY:</b>
-------------------

*"The city with a future, watch us grow!"*



**FPID: 427056-1-52-01**

# **SR50 Realignment Design**

**Groveland City Council Presentation**

**May 4, 2015**



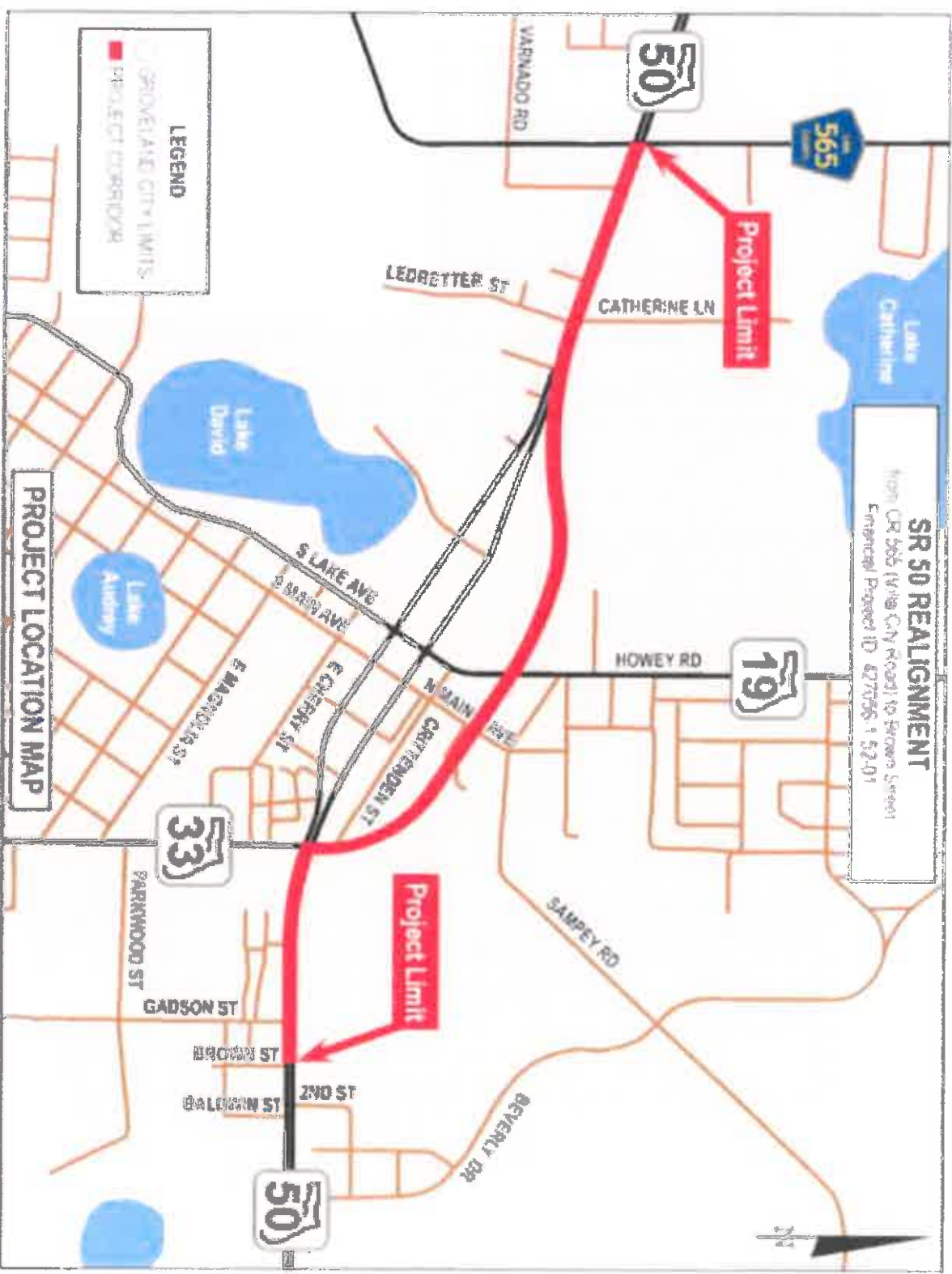
**[www.grovelandSR50.com](http://www.grovelandSR50.com)**

# Presentation Outline



- Project Location
- Purpose and Need
- Design
  - Roadway
  - Trail
  - Park and Ride
- Project Schedule
- Contacts

# Project Location



# Purpose and Need



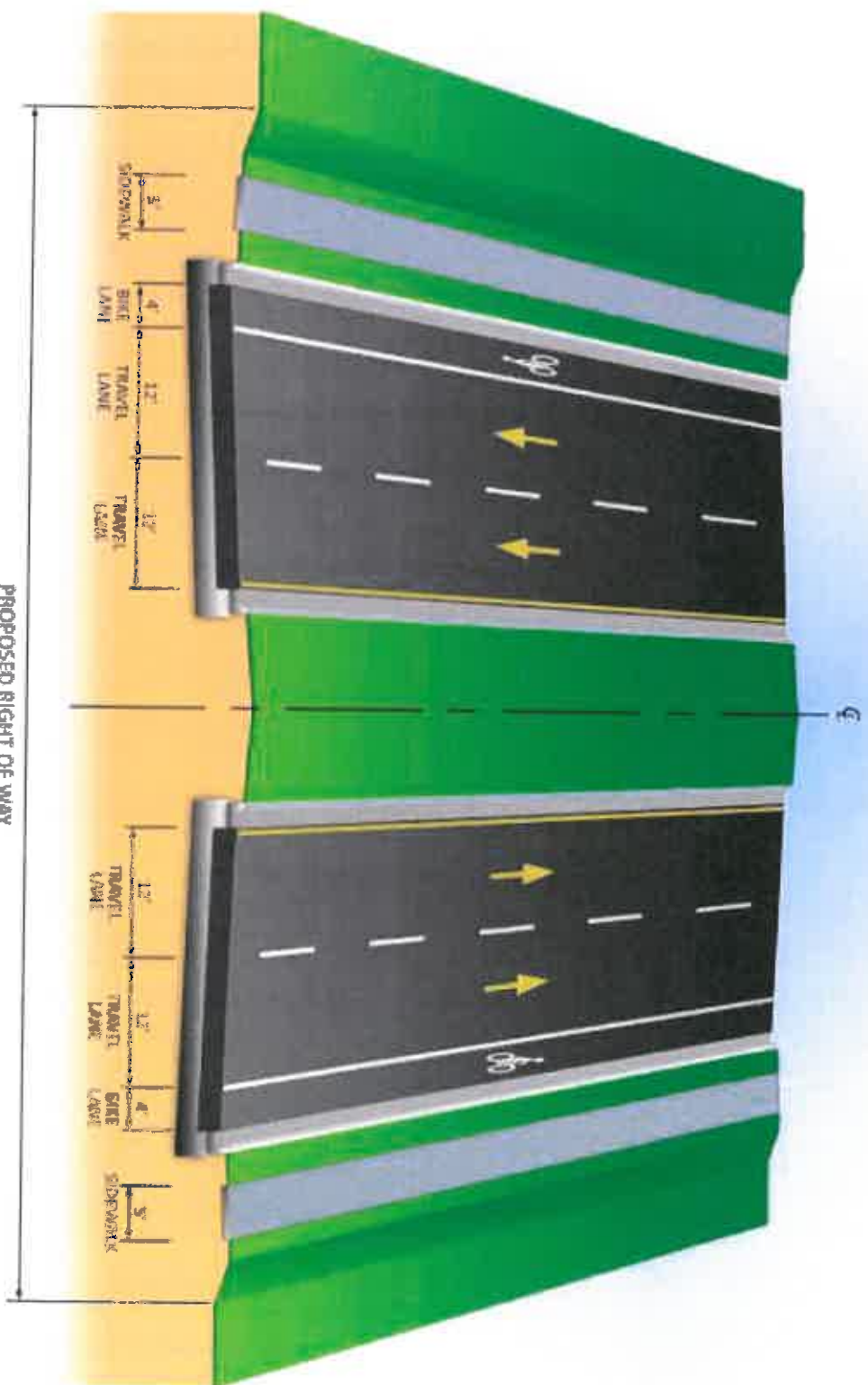
- Re-Align SR 50
- Community Revitalization
- Increase Livability and Walkability
- Remove Heavy Truck Traffic from Downtown Groveland
- Improve Safety and Mobility on SR 50 and in Downtown





# Design – Typical Section

## PROPOSED TYPICAL (NEW CONSTRUCTION)





# Design – Intersection Orange St. / Broad St.





# Design – Intersection SR 19



# Design – Intersection SR 33









# Design - South Lake Trail

- **Trail on the SR 50 Realignment is a key part of the Coast to Coast Connection (Gulf to Atlantic)**
  - 250 miles of Trail
  - St. Petersburg to Titusville
  - 75% of the corridor already developed
- **South Lake Trail is 14 feet in width**
- **Crosses through two signalized intersections on this project**
- **Connects to the Park and Ride Parking Lot**
- **Trail design is being added to the SR 50 roadway project**



# Design - South Lake Trail



**The South Lake Trail alignment is indicated by a light blue line.**

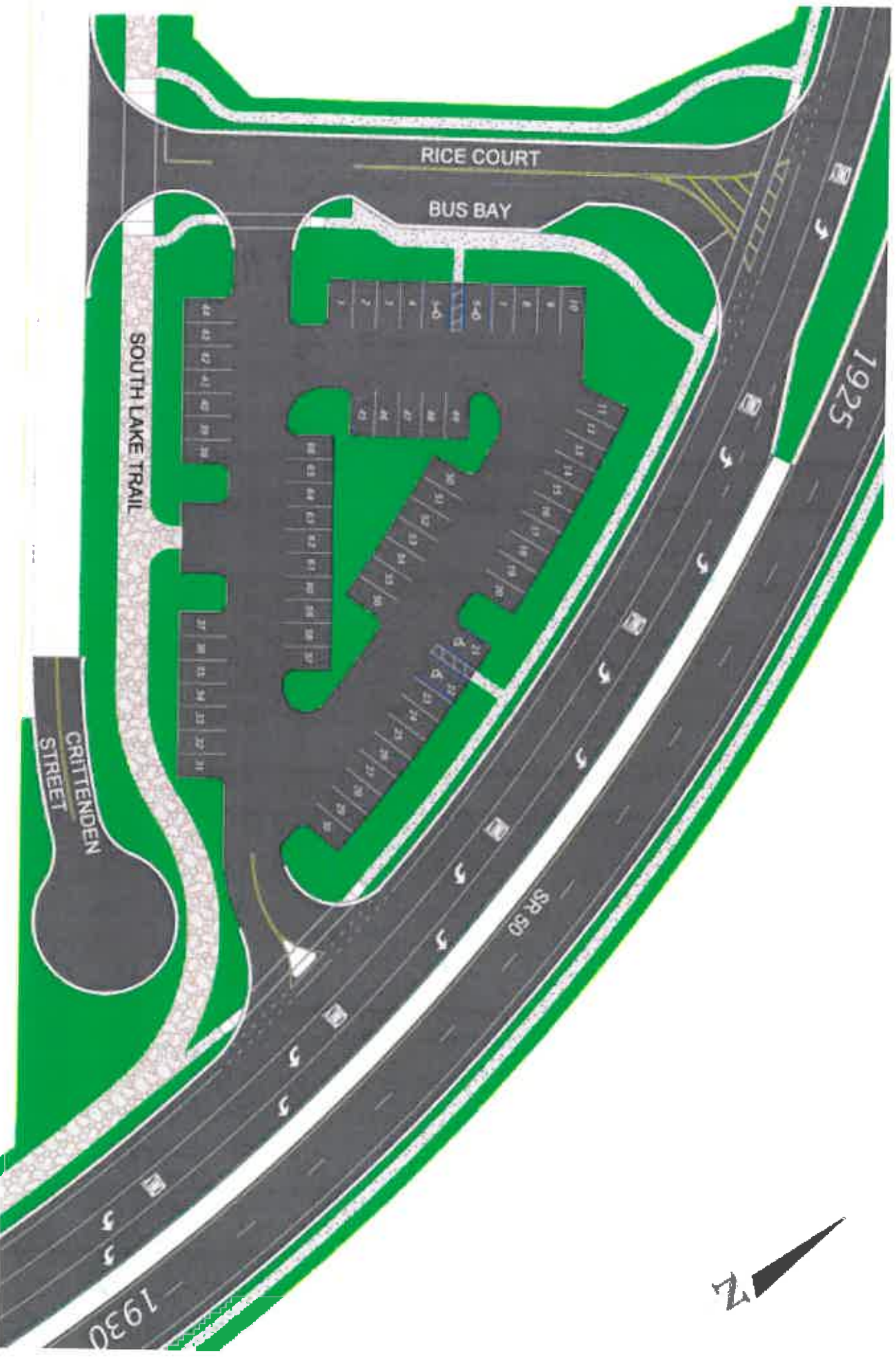


## **Design – Park and Ride Lot**

- Located close to the SR 50 / SR 33 intersection
- Includes 66 parking spaces
- Bus Bay planned on Rice Court
- Planned bus service to be provided by Lake County



# Design – Park and Ride Lot





# Project Schedule

Project Activities	2013												2014												2015													
	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O							
Phase One																																						
Survey and Right-of-Way Maps																																						
Utility Coordination																																						
Update Background Information																																						
Line and Grade Plans																																						
Pond Siting Report																																						
Preliminary Engineering & Design																																						
Phase Two																																						
Initial Roadway Plans																																						
Permitting																																						
Public Meeting #1																																						
Phase Three																																						
Final Roadway Plans																																						
Public Meeting #2																																						
Finalize Plans & Complete Design Tasks																																						

**Currently, Right-of-Way Acquisition and Construction are Not Funded.**





# Public Meeting

**Date**                      **May 19, 2015**

**Location**                **E.L. Puryear Building  
243 S. Lake Avenue  
Groveland, FL 34736**

**Time**                      **6 p.m. to 8 p.m.**

**Format**                      **Open House  
No formal presentation**



***This public meeting will be conducted without regard to race, color, national origin, age, sex, religion, disability, or family status.***



# Project Contacts

## **FDOT Project Manager**

Kevin Moss, PE

Florida Department of Transportation - District Five

719 South Woodland Boulevard,

Deland, FL 32720-6834

(386) 943-5255

[kevin.moss@dot.state.fl.us](mailto:kevin.moss@dot.state.fl.us)

## **Consultant Project Manager**

Gene Quinn, PE, PLS

Volkert, Inc.

3501 South Main Street, Suite 2

Gainesville, FL 32601

(352) 240-7461

[gene.quinn@volkert.com](mailto:gene.quinn@volkert.com)

**[www.grovelandsSR50.com](http://www.grovelandsSR50.com)**



**FPID: 427056-1-52-01**

# **SR50 Realignment Design**

## **THANK YOU**



**[www.grovelandsSR50.com](http://www.grovelandsSR50.com)**



## REQUEST FOR CITY COUNCIL CONSIDERATION

**MEETING DATE:** May 4, 2015

**AGENDA ITEM:**

<b>CITY GOAL:</b>	<b>Revised Interlocal Agreement Regarding the HOME Investment Partnerships Program with Lake County and the Cities of Eustis, Groveland and Leesburg, FL</b>
<b>PREPARED BY:</b>	Rodney Lucas, Economic Development Manager
<b>DATE:</b>	April 24, 2015
<b>DESCRIPTION:</b>	Address rehabilitating current deteriorating housing stock and infill housing with possible new homes through a first-time homebuyer program

**BACKGROUND:**

We received a revised version of the Interlocal Agreement from Cheryl Howell, Director of Lake County Department of Economic Development & Community Services Housing Services Division, that adds to the total number of cities in the agreement to (3) (Eustis, Groveland and Leesburg) and two attachments: 2015 SHIP Funds Budget and the SHIP Local Housing Assistance Plan (LHAP). City Council previously approved the Interlocal Agreement on March 16, 2014. The term and provisions of the previous Interlocal Agreement didn't change the partnership. HOME Investment Partnerships Program continues to address national housing policy of decent, safe, sanitary, and affordable housing for the citizens of Lake County and City of Groveland.

This partnership would allow us to be included in Lake County Five Year Comprehensive Plan and their staff would process all applications and administer the program. The program would assist a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

Under this agreement the City of Groveland can address its deteriorate housing stock for low income families.

**STAFF RECOMMENDATION:** Motion to approve.

**REVIEWED BY CITY MANAGER:**

**COUNCIL ACTION:**

**MOTION BY:**

**SECOND BY:**

*"The city with a future, watch us grow!"*

**INTERLOCAL AGREEMENT REGARDING THE  
HOME INVESTMENT PARTNERSHIPS PROGRAM**

**THIS INTERLOCAL AGREEMENT** is made and entered into by and between Lake County, a political subdivision of the State of Florida, hereinafter referred to as "County," the City of Groveland, a municipal corporation of the State of Florida, the City of Leesburg, a municipal corporation of the State of Florida, and the City of Eustis, a municipal corporation of the State of Florida, hereinafter referred to collectively as "Cities."

**WHEREAS**, the U.S. Congress has found that inadequate progress has been made towards the national housing policy goal to provide decent, safe, sanitary and affordable living environments for all citizens; and,

**WHEREAS**, the National Affordable Housing Act of 1990 authorized Federal funding for jurisdictions that would establish programs to increase the number of families served with decent, safe, sanitary and affordable housing, and expand the long-term supply of affordable housing in accordance with the HOME Investment Partnerships Act, 24 CFR Part 92; and,

**WHEREAS**, the HOME Investment Partnerships Act authorizes a consortium of geographically contiguous units of general local government for the purpose of becoming a participating jurisdiction in the HOME Program; and,

**WHEREAS**, Section 163.01, *Florida Statutes*, Florida Interlocal Cooperation Act of 1969, authorizes municipalities and counties to provide services and facilities through the use of cooperative agreements for the mutual advantage of each governmental entity; and,

**WHEREAS**, it is the intent of the County and City to utilize the power and authority of the Florida Interlocal Cooperation Act of 1969 by the execution of this Agreement;

**NOW, THEREFORE**, in consideration of the foregoing and the mutual covenants hereinafter contained, it is agreed between the County and City as follows:

**Section 1.**     **Purpose.** This Agreement is entered into to allow the County and Cities to work together in a cooperative effort to meet the national housing policy of decent, safe, sanitary, and affordable housing for the citizens of Lake County, the City of Groveland, City of Leesburg, and the City of Eustis. Further, this Agreement is entered into as a legally binding cooperation Agreement so as to form a consortium within the meaning of the National Affordable Housing Act of 1990, and so as to meet the requirements of the Department of Housing and Urban Development (HUD) for the designation of the County and Cities as a consortium.

**Section 2.**     **Status.** The Cities and County hereby form a consortium to be known as the Lake County HOME Consortium.

**Section 3.**     **Term.** This Agreement shall be elective for a period of three (3) federal

fiscal years (Fiscal years 2015, 2016, 2017) commencing on October 1, 2015 and ending on September 30, 2018. This agreement shall be automatically renewed for three-year qualification periods, unless: (1) any of the member jurisdictions provide written notice of their decision not to participate in a new three-year qualification period, or (2) one or more of the jurisdictions fail to adopt, and to submit, to HUD an amendment to this Agreement that incorporates all changes necessary to meet Cooperation Agreement requirements as prescribed by HUD in the Consortia Qualification Notice that is applicable to a subsequent qualification period. The County shall, by the date specified in HUD's Consortia Qualification Notice for the next qualification period, notify the Cities in writing of their right not to participate in the Consortium. All units of general local government that are members of the consortium will be on the same program year (October 1<sup>st</sup> to September 30<sup>th</sup>) for CDBG and HOME.

Section 4. Lead Agency. The County shall be the member unit of general local government authorized to act as the representative of the Lake County HOME Consortium in its dealings with HUD and shall be the lead entity, having overall responsibility to comply with the requirements of HUD pertaining to the approval of the Lake County's HOME Consortium and funding of the housing affordability strategy to be adopted by the County and City. The County also assumes overall responsibility of ensuring that the consortium's HOME Program is carried out in compliance with the requirements of the HOME Program including requirements concerning a Consolidated Plan in accordance with HUD regulation in 24 CFR Parts 92 and 91, respectively, and the requirements of 24 CFR 92.350.

Section 5. Cost of Administer Program. In recognition of the fact that the County will primarily administer the HOME Investment Partnership Program, funds received from HUD for administrative costs shall be used solely by the County for program administration.

Section 6. Consolidated Plan. The County shall prepare the Consolidated Plan, which shall apply to the County and the Cities and which shall meet the requirements of applicable Federal regulations.

Section 7. Allocation of Funding. HOME Program allocations by HUD shall be used as approved by the Lake County Board of County Commissioners and the City Commissions. In the event the County and Cities are unable to agree, the HOME funds shall be distributed, in the City and the County based upon the ratio of population. The County shall be responsible for administering all projects approved through this process.

Section 8. Certifications. The County and Cities each certify that they will cooperate with the others to undertake or aid in the undertaking of housing assistance activities for the HOME Investment Partnership Program and that each will affirmatively further fair housing. Further, the City and County will comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Acts of 1970, as amended, and the requirements governing the Residential Anti-displacement and Relocation Plan pursuant to Section 104(d) of the Housing and Community Development Act of 1974.

Section 9. Termination. The consortium agreement must, at a minimum, remain in effect until the HOME funds from each of the Federal fiscal years of the qualification period are expended for eligible activities. No consortium member may withdraw from

the agreement while the agreement remains in effect. The new agreement is governed by the requirements of the then current Consortium Qualification notice.

Section 10. Authorizing Resolutions. Prior to executing this Agreement, each City and the County shall each adopt resolutions which shall authorize each entity to form the Lake County HOME Consortium and which will authorize the chief elected official of each entity to execute this Agreement.

Section 11. Legal Certifications. The Lake County Attorney shall deliver a written statement that the terms and provisions of this Agreement are fully authorized under State and local law and that this Agreement provides full legal authority for the Consortium to undertake or assist in undertaking housing assistance activities pursuant to HOME Investment Partnership's Program.

Section 12. Employee Status. Persons employed by the County and City who perform services or functions pursuant to this Agreement shall not be deemed to be employees of the other governmental entities. The County and City shall remain obligated to provide their respective employees with worker's compensation protection, salary and pension benefits, civil service or other employee rights and privileges.

Section 13. Notices. Formal notices pertaining to this Agreement shall be in writing, sent by U.S. Mail or hand delivery, addressed to the following:

City of Eustis  
4 N. Grove Street  
P.O. Drawer 68  
Eustis, Florida 32727-0068

Lake County, Florida  
Board of County Commissioners  
PO Box 7800  
Tavares, Florida 32778

City of Groveland  
156 South Lake Avenue  
Goveland, Florida 34736-2597

cc: Housing Manager  
PO Box 7800  
Tavares, Florida 32778

City of Leesburg  
PO Box 490630  
Leesburg, Florida 34748

Section 14. Counterparts. This Agreement may be executed in counterparts; each executed counterpart to be deemed an original and all of which shall constitute but one and the same instrument.

*{The remainder of this page left blank}*

**Interlocal Agreement Regarding the Home Partnership Consortium between Lake County, the City of Groveland, City of Leesburg, and the City of Eustis**

**IN WITNESS WHEREOF**, Lake County, the City of Groveland, and the City of Eustis have caused this Agreement to be duly executed through their authorized representation, on their respective date set forth below.

**ATTEST:**

**LAKE COUNTY  
BOARD OF COUNTY COMMISSIONERS**

\_\_\_\_\_  
Neil Kelly, Clerk of the  
Board of County Commissioners

\_\_\_\_\_  
Jimmy Conner, Chairman

This \_\_\_\_\_ day of \_\_\_\_\_, 2015.

**Approved as to Form and Legality:**

\_\_\_\_\_  
Sanford A. Minkoff  
County Attorney



Interlocal Agreement Regarding the Home Partnership Consortium between Lake County, the City of Leesburg, the City of Groveland, and the City of Eustis

ATTEST:

CITY EUSTIS

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Print name: \_\_\_\_\_

This \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Approved as to Form and Legality:

\_\_\_\_\_  
City Attorney

Interlocal Agreement Regarding the Home Partnership Consortium between Lake County, the City of Leesburg, City of Groveland, and the City of Eustis

ATTEST:

CITY GROVELAND

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Print name: \_\_\_\_\_

This \_\_\_\_ day of \_\_\_\_\_, 2015.

Approved as to Form and Legality:

\_\_\_\_\_  
City Attorney

Interlocal Agreement Regarding the Home Partnership Consortium between Lake County, the City of Leesburg, the City of Groveland, and the City of Eustis

ATTEST:

CITY LEESBURG

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Print name: \_\_\_\_\_

This \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Approved as to Form and Legality:

\_\_\_\_\_  
City Attorney

## 2015 SHIP Funds

Activity	Amount	Percentage
Total Funded Amount	\$ 2,851,722	
Administration	\$ 285,172	
<b>2014 Project Budget</b>	<b>\$ 2,566,550</b>	
<b>Committee Recommendations</b>		
Demo Replacement	\$ 641,637	25%
Rehab	\$ 641,637	25%
New Construction	\$ 641,637	25%
Transitional	\$ 256,655	10%
Down Payment Assistance	\$ 256,655	10%
Security Deposits	\$ 128,327	5%
Total Project Budget	\$ 2,566,550	100%

*Lake County Board of County Commission*

**SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)**

**2015-2016, 2016-2017, and 2017-2018**



**LAKE COUNTY**

**DEPARTMENT OF  
COMMUNITY SERVICES**  
*Housing & Community  
Development Division*

**Table of Contents**

<b>Title</b>	<b>Page #:</b>
<b>Section I.</b>	
<b>General Program Description:</b>	<b>pg. 3-6</b>
<b>Section II.</b>	
<b>LHAP Strategies:</b>	<b>pg. 6-32</b>
<b>Section III.</b>	
<b>LHAP Incentive Strategies:</b>	<b>pg. 32-34</b>
<b>Section IV.</b>	
<b>Exhibits:</b>	<b>pg. 36-41</b>

**I. General Program Description:**

- A. Name of the participating local government and Interlocal if Applicable:

Lake County Board of County Commissioners

Interlocal: Yes \_\_\_\_\_ No X \_\_\_\_\_

If "Yes", name of participating local government(s) in the Interlocal Agreement;

\_\_\_\_\_

A copy of the Interlocal Agreement must be attached as Exhibit H.

- B. Purpose of the program:

Creation of the Plan is for the purpose of:

1. To meet the housing needs of the very low, low and moderate income households;
2. to expand production of and preserve affordable housing; and
3. to further the housing element of the local government comprehensive plan specific to affordable housing

- C. Fiscal years covered by the Plan: 2015-2016, 2016-2017 and 2017-2018

- D. Governance:

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37, Florida Administrative Code.

Cities and Counties must be in compliance with these applicable statutes, rules and any additional requirements as established through the Legislative process.

- E. Local Housing Partnership:

The SHIP Program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low-income persons and community groups.

- F. Leveraging:

The Plan is intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used

to supplement other Florida Housing Finance Corporation programs and to provide local match to obtain federal housing grants or programs.

G. Public Input:

Public input was solicited through face to face meetings with housing providers, social service providers and local lenders and neighborhood associations. Public input was solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability.

H. Advertising and Outreach:

SHIP funding availability shall be advertised in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.

I. Discrimination:

In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, color, religion, sex, national origin, age, handicap, or marital status in the award application process for eligible housing.

J. Support Services and Counseling:

Support services are available from various sources. Available support services may include but are not limited to: Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling and Transportation.

K. Purchase Price Limits:

The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units, which can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

- ☒ U.S. Treasury Department  
☐ Local HFA Numbers

The purchase price limit for new and existing homes is shown on the Housing Delivery Goals Charts.

L. Income Limits, Rent Limits and Affordability:

The Income and Rent Limits used in the SHIP Program are updated annually by the Department of Housing and Urban Development and posted at [www.floridahousing.org](http://www.floridahousing.org).

Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071, F.S. However, it is not



the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

**M. Welfare Transition Program:**

Should an eligible sponsor be used, a qualification system and selection criteria for applications for Awards to eligible sponsors shall be developed, which includes a description that demonstrates how eligible sponsors that employ personnel from the Welfare Transition Program will be given preference in the selection process.

**N. Monitoring and First Right of Refusal:**

In the case of rental housing, the staff and any entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides the same monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$3,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored annually for no less than 15 years or the term of assistance whichever is longer unless as specified above.

Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.

**O. Administrative Budget:**

A line-item budget of proposed Administrative Expenditures is attached as Exhibit A. Lake County Board of County Commission finds that the moneys deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan.

**Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, states:**

"A county or an eligible municipality may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan."

**Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states:**

"The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(17), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs."

The applicable local jurisdiction has adopted the above findings in the resolution attached as Exhibit E.

**P. Program Administration:**

Administration of the local housing assistance plan will be wholly performed and maintained by

the Lake County Housing and Community Development Division.

Or

A third party entity or consultant will be contracted for all of part of the administrative of the program. The name of the entity is: \_\_\_\_\_, The administrative duties they will provide are:

**Q. Essential Service Personnel Definition (required):**

For the purpose of the both the CWHIP and SHIP program, essential service personnel is defined as families that have household members who are teachers, law enforcement personnel, emergency service, and medical personnel, and local government employees. For purposes of the CWHIP program, qualifying households are those who earn less than 140 percent of the median income for the Orlando-Kissimmee MSA, adjusted for family size. When funds are allocated to a development that is being leveraged with funds under the CWHIP program, the income limit may serve those households up to 140 percent area median income. However for the purposes of the SHIP program the income limit is 120 percent area median income will apply.

**R. Describe efforts to incorporate Green Building and Energy Saving products and processes (required):**

For houses that are rehabilitated, Lake County will make available to homeowners the opportunity to upgrade existing insulation to an R-30 standard. In addition, Energy Star appliances, window, doors, and light fixtures can be replaced with Energy Star rated items when replacement of these items are necessary at the time of rehabilitation. All replaced Air conditioning units will also be replaced with 15 seer-rated units.

**Section II. LHAP Strategies:**

**A.**

Purchase Assistance/ with Repairs	1
-----------------------------------	---

**a. Summary of the Strategy:**

Summary of the Strategy: Up to 40% of SHIP funds per year will be available to provide loans for the purchase of newly constructed homes or existing single family homes that are intended as the primary residence of the borrower. Existing single family homes may not be assisted without repairs. If the existing single family home is found to pass inspection without repairs, the family will be notified that the home does not meet the strategy's requirements. The family will be entitled to funding if an eligible home is approved.

**b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018**

**c. Income Categories to be served: Very Low, Low, and Moderate**

- d. Maximum award: VL-Up to \$20,000; Low-Up to \$15,000; Moderate-Up to \$10,000
- e. Terms of the award: Interest Rate, Repayment (hard pay, forgiveness), Recapture and Default.

A lien held by the County will be placed on the home during the mortgage period. The loan must be repaid 100% in its entirety within 30 days of closing, if sold before the 15 years have elapsed. If the home is not sold continues to be the principal residence of the borrower, the borrower does not refinance with cash out, and does not use the home as collateral for home equity line of credit, then the loan will be forgiven after 15 years have elapsed.

Terms, Recapture and Default: Terms of default which lead to foreclosure and/or loss of property ownership include:

- Mortgage loans made with SHIP funds shall not have terms exceeding fifteen (15) years fixed interest rate, except for USDA and VA deferred payment loans.
- The interest rate of the first mortgage loan, if charged, shall be no greater than the sixty (60) day yield plus one percent (1%) as set from time to time by the Federal National Mortgage Association unless leveraging other state and federal funds.
- Mortgage loans issued in conjunction with SHIP funds shall not be used for the infrastructure expenses of a project comprising two or more dwelling units unless all of that project's dwelling units are affordable to very-low and low income households, and the construction of that project begins within one year from the time of closing.

Funds shall be secured with a zero interest, deferred payment mortgage, the term of which shall be the same length as that of the first mortgage. Monthly payments are not required. In the event any of the following conditions occur, the loan shall be due and payable to the Lake County Affordable Housing Assistance Trust Fund, if the following occurs:

- At time of sale,
- If leased or rented,
- If refinanced with cash out to the borrower

- If used as collateral for a home equity line of credit,
- If occupied by a person or household other than the person or household for which the assistance was intended unless upon death an income eligible heir assumes the loan,
- If title is transferred, given away, or otherwise conveyed any part of interest in the property, whether by voluntary act or involuntary act, by operation of law or otherwise,
- If the applicant is divested of title by judicial sale levy or other proceeding, or if foreclosure action is completed against the property.

f. Recipient Selection Criteria:

To prioritize the need for assistance, the following selection criteria have been established to encumber funds. The list is arranged in order of priority:

- Priority 1: Very-low income households currently living in substandard housing,
- Priority 2: Low income households currently living in substandard housing,
- Priority 3: Moderate income households currently living in substandard housing,
- Priority 4: Extremely low income households currently living in rental units,
- Priority 5: Very-low income households currently living in rental units,
- Priority 6: Low income households currently living in rental units and,
- Priority 7: Moderate income households currently living in rental units.

Within the above selection criteria, applications are ranked on a first come, first serve basis.

g. Sponsor Selection Criteria and duties, if applicable:

h. Additional Information:

In the case of family hardship such as death, the mortgage held by Lake County will be extended to a family member that is income qualified. That family member will also be required to contractually agree to all SHIP program guidelines.

B.

--	--

a. Summary of the Strategy:

Up to thirty-five percent (35%) of available SHIP Program funds will be distributed for home rehabilitation. The unit assisted must be owner-occupied and located in Lake County. If the home has a second mortgage, the home will not qualify. The applicant can have first mortgage, but the current appraised/market value of the home must be greater than the first mortgage and the estimate amount of assistance requested. First mortgages, property taxes and/or assessments must be current. There may not be any federal judgments or federal liens against the property.

- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018
- c. Income Categories to be served: Extremely Low, Very Low, and Low
- d. Maximum award: \$65,000
- e. Terms of the award: Interest Rate, Repayment (hard pay, forgiveness), Recapture and Default.

To support the intent of the SHIP program and to ensure accountability, funds will not be released from the Lake County Affordable Housing Assistance Trust Fund unless and until an agreement is endorsed which provides for a lien against the property. Funds shall be secured with a zero interest, deferred payment Based on the amount of assistance provided. Monthly payments are not required. In the event any of the following conditions occur, the loan shall be due and payable to the Lake County Affordable Housing Assistance Trust Fund:

- At time of sale,
- If leased or rented,
- If refinanced with cash out to the borrower
- If used as collateral for a home equity line of credit,
- If occupied by a person or household other than the person or household for which the assistance was intended unless upon death an income eligible heir assumes the loan,
- If title is transferred, given away, or otherwise conveyed any part of interest in the property, whether by voluntary act or involuntary act, by operation of law or otherwise,
- If the applicant is divested of title by judicial sale levy or other proceeding, or if foreclosure action is completed against the property.

- f. Recipient Selection Criteria:

The household assisted must be income qualified. Annual income will be

determined as defined in 24 CFR 5.609. Applicants are required to provide all documentation requested for income, eligibility, and qualification determination. Third party verification of income, employment, and assets will be obtained by SHIP staff. An ineligible applicant will be notified in writing for reason of ineligibility and that they may reapply for SHIP assistance six (6) months from the date of the letter.

To prioritize the need for assistance, the following selection criteria have been established:

- Priority 1: Extremely-low income elderly handicapped
- Priority 2: Extremely-low income handicapped
- Priority 3: Extremely-low income elderly
- Priority 4: All other extremely low income
- Priority 5: Very-low income elderly handicapped
- Priority 6: Very-low income handicapped
- Priority 7: Very-low income elderly
- Priority 8: All other very low income
- Priority 9: Low-income elderly handicapped
- Priority 10: Low income handicapped
- Priority 11: Low income elderly
- Priority 12: All other low income

The above selection criteria will be utilized within the year that the services were requested. In the case of a waiting list for services, applications will be processed utilizing the above selection criteria with the following exceptions:

A household with a non-owner handicapped member shall have priority over applications in the same criterion. Should an applicant on the list have extenuating circumstances that change the urgency of their repair need, such applications can be processed ahead of others on the repair list. Extenuating circumstances will be determined on a case-by-case basis by a subcommittee comprising of Transit Division, staff from Human Services, and staff from the Housing and Community Development Division. Such circumstances must be of a health or safety nature and would include aid for the handicapped. Applicants will be responsible for proving priority status as per the Recipient Selection Criteria at time of application submission. Any change in priority status will require updated

documentation. Applications on the current waiting list are assisted on a first come, first serve basis.

g. Sponsor Selection Criteria and duties, if applicable:

h. Additional Information:

In the case of family hardship such as death, the mortgage held by Lake County may be extended to a family member that is income qualified and resides in the home. Absolutely no funds will be dispersed for work commencing before funding approval and the placement of a lien. A mortgage will be placed on the unit repaired for the amount of assistance provided. SHIP funds may cover eligible repairs, inspection costs, work write-ups, closing costs, and relocation expenses not to exceed \$65,000. In addition to the housing grant, Lake County also provides funding for moving expenses not to exceed \$3,000. These funds will be awarded as needed in addition to the total loan amount.

C.

--	--

a. Summary of the Strategy:

Up to forty percent (40%) of available SHIP Program funds will be distributed for demolition and replacement. Very low income homeowners will be served provided that they meet the required program guidelines. The unit assisted must be owner occupied, located in Lake County, the house must be mortgage free, and property taxes and/or assessments must be current. The property to be assisted must be free from any liens or judgments.

b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018

c. Income Categories to be served: Extremely Low, Very Low, and Low

d. Maximum award: \$150,000

e. Terms of the award: Interest Rate, Repayment (hard pay, forgiveness), Recapture and Default.

To support the intent of the SHIP program and to ensure accountability, funds will not be released from the Lake County Affordable Housing Assistance Trust Fund unless and until an agreement is endorsed which provides for a lien against the property. Funds shall be secured with a zero interest, deferred payment Fifteen (15) year mortgage. Monthly payments are not required. In the event any of the following conditions occur, the loan shall be pro-rated based upon the number of

years left in the term, and such pro-ration shall be re-paid to the Lake County

Affordable Housing Assistance Trust Fund:

- At time of sale,
- If leased or rented,
- If refinanced with cash out to the borrower
- If used as collateral for a home equity line of credit,
- If occupied by a person or household other than the person or household for which the assistance was intended unless upon death an income eligible heir assumes the loan,
- If title is transferred, given away, or otherwise conveyed any part of interest in the property, whether by voluntary act or involuntary act, by operation of law or otherwise,
- If the applicant is divested of title by judicial sale levy or other proceeding, or if foreclosure action is completed against the property.

f. Recipient Selection Criteria:

The household assisted must be income qualified. Annual income will be determined as defined in 24 CFR 5.609. Applicants are required to provide all documentation requested for income, eligibility, and qualification determination. Third party verification of income, employment, and assets will be obtained by SHIP staff. An ineligible applicant will be notified in writing for reason of ineligibility and that they may reapply for SHIP assistance six (6) months from the date of the letter.

To prioritize the need for assistance, the following selection criteria have been established:

- |             |  |
|-------------|--|
| Priority 1: | Extremely-low income elderly handicapped |
| Priority 2: | Extremely-low income handicapped         |
| Priority 3: | Extremely-low income elderly             |
| Priority 4: | All other extremely low income           |
| Priority 5: | Very-low income elderly handicapped      |
| Priority 6: | Very-low income handicapped              |
| Priority 7: | Very-low income elderly                  |
| Priority 8: | All other very low income                |



- Priority 9: Low-income elderly handicapped
- Priority 10: Low income handicapped
- Priority 11: Low income elderly
- Priority 12: All other low income

The above selection criteria will be utilized within the year that the services were requested.

In the case of a waiting list for services, applications will be processed utilizing the above selection criteria with the following exceptions:

A household with a non-owner handicapped member shall have priority over applications in the same criterion. Should an applicant on the list have extenuating circumstances that change the urgency of their repair need, such applications can be processed ahead of others on the repair list. Extenuating circumstances will be determined on a case-by-case basis by a subcommittee comprising of staff from Transit Division, staff from Human Services, and staff from the Housing and Community Development Division. Such circumstances must be of a health or safety nature and would include aid for the handicapped. Applicants will be responsible for proving priority status as per the Recipient Selection Criteria at time of application submission. Any change in priority status will require updated documentation. Applications on the current waiting list are assisted on a first come, first serve basis. Applicants will be responsible for proving priority status as per the Recipient Selection Criteria at time of application submission. Any change in priority status will require updated documentation.

g. Sponsor Selection Criteria and duties, if applicable:

h. Additional Information:

In the case of family hardship such as death, the mortgage held by Lake County may be extended to a family member that is income qualified and resides in the home. Absolutely no funds will be dispersed for work commencing before funding approval and the placement of a lien. A mortgage will be placed on the replacement home for the amount of assistance provided. SHIP funds may cover eligible repairs, inspection costs, work write-ups, closing costs, and relocation expenses not to exceed \$150,000. In addition to the housing grant, Lake County also provides funding for moving expenses not to exceed \$3,000. These funds will be awarded as

needed in addition to the total loan amount.

D.

--	--

a. Summary of the Strategy:

Summary of the Strategy: Up to 10% of SHIP funds available to distribute in a given year will be available to assist a local Community Housing Development Organization (CHDO), a Public Housing Authority (PHA), a 501(C)(3) non-profit affordable housing sponsor, private for-profit developers and/or governmental entities. Each eligible applicant may apply for up to a maximum of 20% of the available funds for this strategy. The assistance will provide for development costs to eligible sponsors to construct, acquire and rehabilitate units for homeless families or individuals.

b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018

c. Income Categories to be served: Extremely Low, Very Low, and Low

d. Maximum award: Up to 10% of available funds

e. Terms of the award: Interest Rate, Repayment (hard pay, forgiveness), Recapture and Default.

A lien held by the County will be placed on the property during the mortgage period. The loan must be repaid 100% in its entirety within 30 days of closing, if sold before the 15 years have elapsed. If the property is not sold and continues to be of benefit to housing for homeless families, the borrower does not refinance with cash out, and does not use the property as collateral for an equity line of credit; then the loan will be forgiven after 15 years have elapsed.

Terms, Recapture and Default: Terms of default which lead to foreclosure and/or loss of property ownership include:

- Mortgage loans made with SHIP funds shall not have terms exceeding fifteen (15) years fixed interest rate, except for USDA and VA deferred payment loans.
- The interest rate of the first mortgage loan, if charged, shall be no greater than the sixty (60) day yield plus one percent (1%) as set from time to time by the Federal National Mortgage Association unless leveraging other state

and federal funds.

- Mortgage loans issued in conjunction with SHIP funds shall not be used for the infrastructure expenses of a project comprising two or more dwelling units unless all of that project's dwelling units are affordable to very-low and low income households, and the construction of that project begins within one year from the time of closing.

Funds shall be secured with a zero interest, deferred payment mortgage, the term of which shall be the same length as that of the first mortgage. Monthly payments are not required. In the event any of the following conditions occur, the loan shall be due and payable to the Lake County Affordable Housing Assistance Trust Fund, if the following occurs:

- At time of sale,
- If leased or rented to unqualified recipient
- If refinanced with cash out to the borrower
- If used as collateral for an equity line of credit,
- If occupied by a person or household other than the person or household for which the assistance was intended unless upon death an income eligible heir assumes the loan,
- If title is transferred, given away, or otherwise conveyed any part of interest in the property, whether by voluntary act or involuntary act, by operation of law or otherwise,
- If the applicant is divested of title by judicial sale levy or other proceeding, or if foreclosure action is completed against the property.

f. Recipient Selection Criteria:

All units constructed under this strategy must be occupied by extremely low, very low, and low income households who are homeless. The households will be selected by the sponsor, which will certify income-eligibility and legal residency. The households will be selected by the sponsor on a first come, first serve basis and provided the family is documentable homeless.

- g. Sponsor Selection Criteria and duties, if applicable: Eligible sponsoring organizations will be governmental entities, a local Community Housing Development Organization (CHDO), Public Housing Authority (PHA), or a

501(C)3) non-profit affordable housing sponsor. The sponsoring organization will need to have the capacity for and history of successfully providing transitional/affordable housing to at risk populations. The project must also meet the following criteria:

- Compatibility with surrounding neighborhoods,
- Demonstration of support from residents of the surrounding neighborhoods.
- History of organization of developing/constructing and/or managing Transitional Housing.

h. **Additional Information:**

For FHFC financed projects that also receive local SHIP support, occupancy, rent, and housing quality compliance documentation secured by FHFC or its contract monitor, shall be deemed acceptable in meeting this requirement. The sale of properties assisted with SHIP funds prior to the fifteen (15) year requirement being met shall require approval of the Lake County Affordable Housing Advisory Committee and the Lake County Board of County Commission and shall be acceptable (without repayment) only if the subsequent owner(s) agree to meet any remaining rental, occupancy and affordability obligations established in the development agreement, mortgage and note. Under the SHIP Program, assisted rental properties offered for sale prior to the end of the fifteen (15) year term of assistance must be subject to a right of first refusal for purchase at the current market value by eligible organizations that would provide continued occupancy by SHIP eligible persons.

E.

--	--

a. **Summary of the Strategy:**

1. **Summary of the Strategy:** In response to the growing need to preserve the affordable housing stock in the Lake County, the AHC made recommendations to the Board of County Commissioners to provide assistance to do acquisition and rehab to small multi-family properties in blighted areas. Housing improvements may include, but are not limited to, the following, and shall include any other improvements that address Lake County's Housing Code violations:

- Roofing
- Electrical
- Plumbing
- Structural
- Baths

- Flooring-Walls-Ceilings • Heating Systems • Kitchens • Doors
- Water Heaters • Interior and Exterior Paint • Windows • Termite Treatment • Lead Paint Testing & Remediation • Septic Tanks & Drain fields

- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018
- c. Income Categories to be served: Extremely Low, Very Low, and Low
- d. Maximum award: The maximum award amount shall be for up to 30% of available funds not to exceed \$42,000 per unit.
- e. Terms of the award: The County's financial assistance will be provided in the form of a first or second mortgage, non-amortizing at 0% interest, for a minimum term of 15 years or the full term of the first mortgage whichever is greater. The maximum term will be 30 years. The mortgage will require no monthly payments and shall be forgiven at the end of the specified term. The property must be rented and remain affordable to Extremely Low, Very Low, and Low individuals and families throughout the specified term. If the property is sold before the end of the County's mortgage term, the applicant must repay the County the original balance of the loan amount plus 50% of any accrued equity. The minimum loan amount cannot be less than \$10,000 per project. The maximum award amount shall be for up to 30% of available funds not to exceed \$42,000 per unit. The maximum per unit subsidy is based on number of bedrooms in the unit as specified in the HOME regulations. However, on all projects, the maximum amount that the County will lend must not exceed 90% of the after-rehabilitation appraised value of the total Project. Unless the Local Housing Assistance Plan or Consolidated Plan is amended to require otherwise, loans are made as a 0% interest deferred payment loan provided that at all of the units are set-aside for families at or below 80% of AMI. The County requires that all loans be secured with a mortgage and note.
- f. Recipient Selection Criteria:  
All units constructed under this strategy must be occupied by extremely low, very low and, low income households who are homeless. The households will be selected by the sponsor, which will certify income-eligibility and legal residency. The households will be selected by the sponsor on a first come, first serve basis and provided the family is eligible at the time of application.
- g. Sponsor Selection Criteria and duties, if applicable: Eligible sponsoring

organizations will be governmental entities, a local Community Housing Development Organization (CHDO), Public Housing Authority (PHA), a 501(C)3 non-profit affordable housing sponsor, and/or private for-profit developers selected through one or more open proposal submission(s). The sponsoring organization will need to have the capacity for and history of successfully providing affordable housing to at risk populations. Applicants may apply to active RFP's and applications received will be reviewed on a first come first served basis pending funding availability. Sources of funding for this program include local SHIP dollars, program income from this program, and general revenue or other unrestricted funds, when available. Extremely low, very low, and low income households will be eligible to receive assistance. A Request For Proposal will be solicited for qualified projects and will be selected by the a subcommittee comprising of staff from Transit Division, staff from Human Services, and staff from the Housing and Community Development Division based on the criteria included in the RFP.

h. Additional Information:

The goal of the acquisition/rehabilitation program is to build and preserve the affordable housing stock in Lake County and bring qualifying, existing units into compliance with the Lake County's minimum Housing Codes and the federal Housing Quality Standards. The building must be substandard, vacant and zoned for its intended residential use. Please note that eligible units cannot be tenant occupied. In addition to the parameters outlined below, developments must comply with the applicable program guidelines for HOME (including but not limited to Fair Housing laws, Davis Bacon, Section 3, Affirmative Marketing and Housing Quality Standards) and SHIP (including but not limited to Fair Housing laws and Housing Quality Standards). All units acquired and rehabilitated through this program will provide housing for families earning 80% or less of area median income.

Developments which propose to serve a higher income category will not be considered for this funding. Lake County reserves the right to incorporate specific targeting requirements, based on its annual strategic objectives, into the application for assistance, and to incorporate preference criteria to reflect strategic objectives. Such targeting may include the project's ability to meet preservation goals, mixed income goals, or ability of the project to serve families with extremely low, very low, and low income individuals and families and neighborhoods.



## PROJECT CRITERIA

Applications for assistance must include:

- Evidence of site control, appropriate zoning, land use, and concurrency
- Evidence of current boundary survey
- Evidence of a satisfactory environmental report conducted by a third party
- A current appraisal
- Development timeline
- Work Write-up and cost estimate.

Applications will be evaluated on the following criteria:

- Development team experience (including developer, contractor, and management experience)
- Financial feasibility, evidenced by cost estimates (construction and operating pro formas), cash flows, and debt service coverage ratios
- Social services and development amenities, where appropriate
- Past performance on like activities with Lake County Housing programs, including compliance with all program regulations.

## ELIGIBLE GEOGRAPHIC AREA

Eligible areas include the consolidated Lake County or specific areas as recommended by the Affordable Housing Committee

## CONTRACTOR REQUIREMENTS

- The County maintains a list of licensed general and residential contractors from which the applicant must select a contractor.
- Only licensed general, residential or building contractors in good standing with the Department of Professional Regulations and the Department of Consumer Affairs will be eligible for participation.
- The contractor will furnish all labor, materials, equipment, permits, licenses and services for the proper completion of the project in accordance with the bid proposal and specifications.
- All work performed by the contractor is subject to inspections by the Housing Services Division

- All work not in compliance with said standards shall be corrected at the contractor's expense. The Housing and Community Development Division will perform all draw inspections and the final inspection prior to release of final payment.
- The Contractor shall provide a full one-year warranty to the Owner, for the workmanship and materials on all contract items other than roofing. A five-year warranty will be provided on the labor for all roofs installed. In addition, all applicable manufacturers' warranties will apply.
- Upon completing the rehabilitation, each property must be in compliance with Section 8 Housing Quality Standards (HQS).

F.

--	--

- a. **Summary of the Strategy:**  
In the event of a state, federal or local disaster declaration affecting all or part of Lake County, the Housing and Community Development Manager or the SHIP Administrator shall be authorized to request and administer additional state funds or current SHIP funds to assist with disaster mitigation/recovery. Other funds in conjunction with SHIP funds will be used to leverage available federal, state, local and insurance funds to provide assistance to eligible single-family households for the purpose of repairing/replacing eligible housing.
- b. **Fiscal Years Covered:** 2015-2016, 2016-2017 and 2017-2018
- c. **Income Categories to be served:** Extremely Low, Very Low, and Low In the event of a natural disaster, it is sometimes difficult to obtain income information and third party verifications. If this is the case, the form of documentation required of the participant will be determined on a case by case basis depending upon the severity of the damage and the circumstances of each case as approved by the Housing and Community Development Manager or the SHIP Administrator. Lake County will use the most accessible and most accurate documentation available that can help to establish household income eligibility, and at the same time will allow the County to provide immediate assistance.
- d. **Maximum award:** The maximum award amount shall be for the available funds not to exceed \$10,000 for minor repairs \$65,000 for rehabilitation, and \$150,000 for replacement per unit.

e. Terms of the award:

Assistance under the disaster mitigation component of this strategy for minor repairs is in the form of a grant to certified income eligible households for emergency disaster assistance for their primary owner/occupied residence and not subject to recapture. Minor repairs will be defined as the total amount of all work performed on any given property shall not exceed \$10,000. The minor repair grant can only be utilized once per disaster for the affected homeowner. However, homes requiring substantial repairs and/or replacement will follow the guidelines of the Home Rehabilitation and/or Demolition and Replacement Strategies including the recapture agreement as defined in sections B and C respectively.

f. Recipient Selection Criteria:

To prioritize the need for assistance, the following selection criteria have been established to encumber funds. The list is arranged in order of priority:

- Priority 1: Extremely-low income elderly handicapped
- Priority 2: Extremely-low income handicapped
- Priority 3: Extremely-low income elderly
- Priority 4: All other extremely low income
- Priority 5: Very-low income elderly handicapped
- Priority 6: Very-low income handicapped
- Priority 7: Very-low income elderly
- Priority 8: All other very low income
- Priority 9: Low-income elderly handicapped
- Priority 10: Low income handicapped
- Priority 11: Low income elderly
- Priority 12: All other low income

Within the above selection criteria, applications are ranked on a first come, first serve basis.

g. Sponsor Selection Criteria and duties, if applicable: Not applicable

h. Additional Information: This strategy will provide assistance for minor repairs. Substantial rehabilitation or replacement of housing for income eligible households in the aftermath of a natural disaster will utilize funds within the existing Home Rehabilitation and/or Demolition and Replacement strategies unless additional federal, state or local funds are identified for disaster recovery. To be eligible, the house must have been owner-occupied at the time of the disaster. Assistance will

only be provided for those repairs not covered by insurance or any other disaster relief program. The strategy will be administered by the County, and will be implemented only in the event of a Federal, State, or Local declared natural disaster, using funds that have not been encumbered or additional SHIP funds designated for disaster relief.

Eligible disaster mitigation assistance for minor repairs shall include, but not be limited to:

- Purchase of emergency supplies for eligible households to weatherproof damaged homes,
- Interim repairs to avoid further damage,
- Removal of tree(s) that have fallen on the home,
- Debris removal required to make individual housing units habitable,
- Post disaster assistance with non-insured repairs;
- Expenses to prevent flooding of homes such as sandbags, sand, pump rentals, etc.

The above activities shall be in the form of a grant not to exceed \$10,000 to certified income eligible households to repair damage to their primary owner-occupied residence caused by the above mentioned disaster, and not subject to recapture.

These funds cannot be used to assist mobile homes or manufactured housing except those with the Department of Community Affairs insignia per Ch. 553, F.S.

The Disaster Mitigation Assistance Strategy will also provide assistance for those eligible houses requiring substantial rehabilitation. Assistance will only be provided for those repairs not covered by insurance or any other disaster relief program.

Eligible repairs requiring substantial rehabilitation include but are not limited to:

- Restoration of the structural integrity and preservation of the unit as well as correction of deficiencies in support beams, load-bearing walls, and floor joists;
- Restoration of heating, air conditioning, or water heating and conditioning systems;
- Restoration of plumbing, pumps, wells, septic systems and water line repairs to ensure safe drinking water and sanitary sewage and;
- Replacement or repair of electrical systems, roofing, siding, broken or inoperable windows, screens, exterior doors, or other structural hazards rendering the dwelling unfit for habitation.

In the event a house owned by an income-eligible person is damaged to the point that it is unfeasible to rehabilitate, the dwelling may be demolished and replaced. Assistance will only be provided for those costs not covered by insurance or any other disaster relief program. Mobile homes and manufactured homes will not be eligible for assistance under this strategy unless the owner agrees that the mobile/manufactured home will be removed from the site. The guidelines of the Demolition and Replacement Strategy, including the recapture agreement, will be followed for all income eligible applicants.

In order to ensure that assistance funds are neither under allocated nor over allocated, the County will perform an on-site, pre-application inspection of proposed projects in order to assess the needs of the applicants. A checklist shall be made of needed repairs to provide the basis for the amount of the applicant's award. If the home can be repaired rather than needing replacement, contractors will be selected by applicants in consultation with the County. Repairs will be in accordance with the most recent Florida Building Codes, as published by the Florida Building Commission. To ensure fulfillment of repair contract provisions, an acceptable quality of workmanship, and the protection of disadvantaged consumers, the County will perform interim inspections and a post-completion project inspection for each home repair project. Payment shall only be disbursed to the contractor upon the receipt of a satisfactory inspection report.

The maximum award for housing rehabilitation/reconstruction shall be \$65,000/\$150,000 respectively. SHIP funds may cover eligible repairs, inspection costs, work write-ups, closing costs, and relocation expenses not to exceed \$3,000. These funds will be awarded as needed in addition to the total loan amount. This component of the Disaster Mitigation and Recovery Strategy will have a contingency amount of \$5,000 to be used for unanticipated repairs that become necessary, but were unforeseen until after rehabilitation was initiated, in order to complete a rehabilitation job.

If the cost of repairing the home exceeds the cost of constructing a new home on the same site, the home may be demolished with the owner's written consent, and a new home constructed on the same site. The maximum award for housing demolition/replacement shall be \$150,000. Funds shall be secured with a zero interest, deferred payment thirty (30) year mortgage. Monthly payments are not

required. As delineated in the Terms, Recapture and Default section of the Demolition and Replacement Strategy, the loan shall be pro-rated based upon the number of years left in the term, and such pro-ration shall be re-paid to the Lake County Affordable Housing Assistance Trust Fund. During construction, the applicant will be temporarily relocated to a comparable rental unit. The costs of moving and rent during construction will not be added to the original principal of the loan. Applicants will be required to contractually agree to all SHIP program guidelines, mortgage requirements, repayment provisions, and certify that the unit assisted is their principal residence. Assistance shall be limited to applicants directly impacted by the declared disaster. Clients served under the disaster strategy may supersede those on the current waiting list. This strategy will be implemented only in the event of a declared natural disaster that directly impacts Lake County. The Lake County SHIP program parameters as they currently appear in the Local Housing Assistance Plan and related documents shall apply, except for the application selection criteria. These funds cannot be used to assist mobile homes or manufactured housing except those with the Department of Community Affairs insignia per Ch.553, F.S. The Disaster Mitigation Strategy will be advertised annually along with notice of all SHIP strategies and resources.

G.

--	--

a. Summary of the Strategy:

Up to 10% of SHIP funds available to distribute in a given year will be available to assist low income residents with utility and rental assistance. This program is in the form of a grant up to a maximum award of \$1,200 to income eligible households that are  $\leq$  50% Median Family Income seeking affordable rental housing.

Due to the increased cases of homelessness in Lake County, the Committee has included this strategy to decrease at-risk families from becoming homeless and/or to assist families to be able to transition out hotel/motel housing or "house-couching" as a strategy in our Local Housing Assistance Plan.

b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018

c. Income Categories to be served: Extremely Low and Very Low

d. Maximum award: Up to 10% of available funds can be used for this strategy

e. Terms of the award: Eligible households can receive up to \$1,200 to cover the



required costs of rental security deposits and utility deposits and connection fees in the name of the applicant or co-applicant. Eligible households' members may receive assistance through this program only once. Financial assistance will be provided only to those households who are currently meet the Guidelines Under the SHIP Program, assisted families may only receive assistance in this program once.

f. Recipient Selection Criteria:

Extremely low and very income households will be eligible to receive assistance. The households will be selected by the Lake County staff on a first come, first serve basis and provided the family meets all eligibility criteria.

g. Sponsor Selection Criteria and duties, if applicable: Not Applicable

h. Additional Information: None

H.

--	--

a. Summary of the Strategy:

Up to 30% of SHIP funds available to distribute in a given year will be available to assist very low, low, and moderate income residents with the following programs to assist in purchase of new homes as a strategy in our Local Housing Assistance Plan.

1. HAP-Provides down payment, closing cost, and gap assistance to homebuyers of new homes.
2. Target Area HAP-Provides heavily subsidized assistance to homebuyers in neighborhoods selected by the Affordable Housing Committee.
3. Provides financing to not-for-profit agencies to develop homeownership
4. The County will assist developers with loans for the acquisition, infrastructure and development costs including utilities, road improvements and drainage systems of residential owner occupied housing to first time home buyers. Funds will also be provided to Eligible Sponsors in the form of a developer's fees ranging between 8-12% paid for homes that are completed and occupied by eligible households.
5. Potential housing projects will be submitted via an RFP to the Affordable Housing Committee and the Lake County Board of County Commissioner for review and approval.
6. All Requests for Proposals will be handled by the Lake County Procurement Division.

7. As established by FAC 67-37.007(7), the sales price or value of new eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Lake County shall use the maximum purchase price limits as established and used by the Florida Housing Finance Corporation (FHFC), as amended and updated.

- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018  
c. Income Categories to be served: Very Low, Low, and Moderate

- d. Maximum award: Up to 30% of available funds can be used for this strategy

- e. Terms of the award:

A lien held by the County will be placed on the home during the mortgage period. The loan must be repaid 100% in its entirety within 30 days of closing, if sold before the 15 years have elapsed. If the home is not sold continues to be the principal residence of the borrower, the borrower does not refinance with cash out, and does not use the home as collateral for home equity line of credit; then the loan will be forgiven after 15 years have elapsed.

Terms, Recapture and Default: Terms of default which lead to foreclosure and/or loss of property ownership include:

- Mortgage loans made with SHIP funds shall not have terms exceeding Thirty (15) years fixed interest rate, except for USDA and VA deferred payment loans.
- The interest rate of the first mortgage loan, if charged, shall be no greater than the sixty (60) day yield plus one percent (1%) as set from time to time by the Federal National Mortgage Association unless leveraging other state and federal funds.
- Mortgage loans issued in conjunction with SHIP funds shall not be used for the infrastructure expenses of a project comprising two or more dwelling units unless all of that project's dwelling units are affordable to very-low, low and moderate income households, and the construction of that project begins within one year from the time of closing.

Funds shall be secured with a zero interest, deferred payment mortgage, the term of which shall be fifteen (15) years. Monthly payments are not required. In the event any of the following conditions occur, the loan shall be due and payable to the Lake County Affordable Housing Assistance Trust Fund, if the following occurs:

- At time of sale,
- If leased or rented,

- If refinanced with cash out to the borrower
  - If used as collateral for a home equity line of credit,
  - If occupied by a person or household other than the person or household for which the assistance was intended unless upon death an income eligible heir assumes the loan,
  - If title is transferred, given away, or otherwise conveyed any part of interest in the property, whether by voluntary act or involuntary act, by operation of law or otherwise,
  - If the applicant is divested of title by judicial sale levy or other proceeding, or if foreclosure action is completed against the property.
- f. Recipient Selection Criteria:  
Very low, low, and moderate income households will be eligible to receive assistance. The households will be selected by the Sponsoring agency on a first come, first serve basis and provided the family meets all eligibility criteria.
- g. Sponsor Selection Criteria and duties, if applicable: Sponsors must show that they possess the capacity, capability, and experience to manage a homeownership development program. The agency must be a not-for-profit 501C3 or government agency. The agency must be in good financial standing.
- h. Additional Information: None

I.

- a. Summary of the Strategy:  
Support services such as credit counseling, training in preparation for home ownership responsibilities, and assistance and education in the mortgage application process will be made available to each eligible person utilizing SHIP funds. Lake County will develop a list of organizations qualified to provide homebuyer services through a Request for Qualifications. Qualified organizations will be expected to:
- Conduct homebuyer and home maintenance classes,
  - Pre-screen persons wishing to take the classes for mortgage readiness,
  - Take applications from persons who have completed the classes and wish to apply for home purchase assistance, and
  - Have direct access to a consortium of lenders who are familiar with and willing to comply with the lending requirements of the Home Purchase program. Qualified organizations will also be expected to maintain regular office hours in Lake County. Each potential participating household will

select the organization they wish to use from the list of qualified

organizations. More specifically:

1. **Pre-Screening of Applicants:** Every household wishing to participate in the classes shall be pre-screened for mortgage readiness. Pre-screening will include but is not limited to:
  - Explaining the advantages and disadvantages of homeownership to the clients,
  - Describing the associates involved in the process when buying a home,
  - An explanation of what lenders are looking for,
  - Determining whether or not the client is mortgage ready.
2. **The Partners will review the following to determine mortgage readiness:**
  - Reviewing the client's income, expenditures and debt, employment history and credit report,
  - The amount of mortgage the client may be eligible to receive.

Clients who are not mortgage ready will be referred to Consumer Credit Counseling Services of Central Florida. Those who are mortgage ready will be referred to the homebuyer classes, described below.

All pre-screenings shall be performed by a homebuyer counselor certified through the U.S. Department of Housing and Urban Development or Neighborworks America, Inc. It shall be the responsibility of the counselor to ensure that all credentials remain current.

2. **Homebuyer and Home Maintenance Classes:** Homebuyer and home maintenance classes are mandatory for participants in the Home Purchase Assistance program. Participants in the SHIP Home Rehabilitation/Replacement program are required to complete the home maintenance classes.

Homebuyer classes are ongoing and occur at least monthly and are contingent upon the number of qualified applicants on the waiting list pending funding by Lake

County. Each qualified organization may be expected to conduct at least eight classes during the year, and a minimum of eight classes per calendar year, thereafter. Total contact time shall be at least five hours. Classes may be held more frequently at the discretion of the presenter, and calendars shall be supplied to the County.

Subject matter to be covered in the homebuyer series shall include, but not be limited to:

- Overview of the home buying process
- Lake County Home Purchase program and other housing assistance (Bond money, etc.)
- Types of mortgages available and FHA Predatory lending and foreclosure prevention Escrow accounts (taxes, insurance)
- Mortgage insurance
- Hints on shopping for a home (what to look for in the neighborhood) Fair housing
- Homeowners Association fees and deed restrictions
- Energy efficiency and water conservation
- Flood insurance

Each homebuyer class shall be taught by a homebuyer counselor certified through the U.S. Department of Housing and Urban Development or Neighborworks America, Inc. It shall be the responsibility of the counselor to ensure that all credentials remain current.

Qualified organizations shall also be expected to conduct home maintenance classes, and shall allow Home Rehabilitation/Replacement program participants to attend. Total contact time shall also be five hours. Subject matter covered shall include but not be limited to:

- Home inspections to determine maintenance needs
- Routine care of electrical, HVAC and plumbing systems
- Termite protection and pest control
- Purchase and care of appliances

- Caring for interior surfaces and cleaning
- Caring for yard and exterior surfaces
- Money management for homeowners (financial responsibility, preventing foreclosure, tax deductions, homestead exemption, homeowners insurance, records and important papers, energy conservation)
- Neighborhood environment and safety
- Home repairs (contracting vs. doing it yourself, mildew prevention, painting, plumbing, repairing screens and windows.)

The presenting organization shall be responsible for procuring venues around the County to hold the classes. Syllabuses for both classes shall be preapproved by the County. PowerPoint presentations and other visual aids shall be used in presenting the abovementioned subject matter. Each household attending shall receive one set of reference materials, regardless of how many adults attend the classes. The cost of producing the materials shall be the responsibility of the presenter.

The classes shall be made available free of charge or charge a nominal fee (Not to exceed \$35) to the applicants, but attendance is limited to households who have been pre-screened and are mortgage ready. All adults whose name will be on the mortgage must attend; other adults living within the same residence may also attend. The classes may be repeated one or more times at no additional cost to the homebuyer or the County, and may be attended on separate dates. At the end of each class every participant has the option of completing a course evaluation form prepared by the County.

The presenting organization shall be responsible for taking roll and submitting each roster to the County. The roster and course evaluation forms shall be returned to the County within two (2) business days from the date of the class.

The County will monitor the classes held by each qualified organization at least annually to ensure that the required material is being covered. The County reserves the right to monitor at any time without prior notice.

3.      **Loan Assistance:** Each qualifying organization shall have access to a lending consortium consisting of three or more lenders. There shall be an initial



history of working with the lenders if a consortium needs to be formed. Additional consortium members may be added later. There must also be contractual arrangement between the organization and the lenders in the consortium requiring them to abide by Lake County's lending guidelines as a condition of membership.

Qualifying organization (s) shall take applications from households wishing to participate in the SHIP Home Purchase program, who have previously been determined mortgage ready through one of the lenders in the Lake County Lender's Consortium, and who have completed the Homebuyer and Home Maintenance classes. No application fees shall be charged to applicants. Taking the application consists of assisting the applying household to complete the application form, ensuring that the form is properly notarized, and compiling all of the necessary backup information. It is the responsibility of the organization taking the application to ensure that all of the backup documentation is included before the application packet is submitted to the Housing and Community Development Division for funding. Final determinations of eligibility will be made by the County. Incomplete applications will be returned along with a written explanation of the additional information needed. The organization shall also refer clients to members of its lending consortium, and shall encourage them to deal directly with lenders.

Funds may be used to pay all costs related to home ownership counseling and education. Qualified organizations shall be paid either a flat fee for each successful closing or a contract fee for the provision of consumer/credit services predetermined in the RFP and subsequent contract. Payment will be made upon receipt of an invoice from the qualified organization according to the terms and revisions thereof.

The payment shall include all expenses incurred in carrying out the pre-screening, homebuyer education, and application processes, including but not limited to labor, supervision, marketing, printing/publishing, developing the curriculum, materials and supplies for the classes, reproducing evaluation forms, certificates, name tags, pens, pencils, folders, etc., plus travel expenses to and from class locations, all office expenses, and all correspondence and postage.

Qualified organizations shall also be remunerated a flat fee per household for allowing Housing Rehabilitation/Replacement clients to attend the Home

Maintenance classes. Payment will be made upon receipt of an invoice from the qualified organization.

The Affordable Housing Advisory Committee regularly examines, investigates, and evaluates the merits of various affordable housing development incentives and local policies and procedures relating to the delivery of affordable housing within Lake County and triennially reports its findings to the Board of County Commissioners along with recommendations to the Lake County Board of County Commissioners aimed at making housing more affordable and available to extremely low, very low, low, and moderate-income households, and to households with special housing needs.

- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018
- c. Income Categories to be served: Extremely Low, Very Low, Low, and Moderate
- d. Maximum award: Up to 10% of available funds can be used for this strategy
- e. Terms of the award: Eligible households can receive up to \$1,200 to cover the required costs of rental security deposits and utility deposits and connection fees in the name of the applicant or co-applicant. Eligible households' members may receive assistance through this program only once. Financial assistance will be provided only to those households who are currently meet the Guidelines Under the SHIP Program, assisted families may only receive assistance in this program once.
- f. Recipient Selection Criteria:  
The households will be selected by the sponsoring agency on a first come, first serve basis and provided the family meets all eligibility criteria.

Sponsor Selection Criteria and duties, if applicable: Sponsors must show that they possess the capacity, capability, and experience to manage a homeownership development program. The agency must be a not-for-profit 501C3 or government agency. The agency must be in good financial standing.

- g. Additional Information: None

### III. LHAP Incentive Strategies

In addition to the required Incentive Strategy A and Strategy B, include all adopted incentives with the policies and procedures used for implementation as provided in Section 420.9076, F.S.:

- A. Name of the Strategy: Expedited Permitting

Permits as defined in s. 163.3177 (6) (f) (3) for affordable housing projects are expedited to a greater degree than other projects.

Provide a description of the procedures used to implement this strategy:

**Incentive Strategy:**

- A. Incentive Strategy: Expedited permitting for affordable housing
- B. Incentive Strategy: Process of review of actions which increase the cost of housing
- C. Incentive Strategy: Density bonus allowance for affordable housing
- D. Incentive Strategy: Allowance for accessory residential units in residential zoning districts.
- E. Incentive Strategy: Allowance for zero lot line configurations for affordable housing
- F. Incentive Strategy: Reservation of infrastructure capacity for low and very low income persons
- G. Incentive Strategy: Inventory of public land suitable for affordable housing

**Adopting Ordinance or Resolution Number of identify local policy:**

- A. Adopting Ordinance or Resolution Number of Identify local policy: #1995-2
- B. Adopting Ordinance or Resolution Number of Identify local policy: #1995-53
- C. Adopting Ordinance or Resolution Number of Identify local policy: #1995-53
- D. Adopting Ordinance or Resolution Number of Identify local policy: #1995-53
- E. Adopting Ordinance or Resolution Number of Identify local policy: #1995-53
- F. Adopting Ordinance or Resolution Number of Identify local policy: #1995-53
- G. Adopting Ordinance or Resolution Number of Identify local policy: #1995-53

- A. Implementation Schedule (Date): March 15, 1994
- B. Implementation Schedule (Date): March 3, 1994
- C. Implementation Schedule (Date): June 14, 1994
- D. Implementation Schedule (Date): March 15, 1994
- E. Implementation Schedule (Date): May 19,, 1994
- F. Implementation Schedule (Date): March 15, 1994
- G. Implementation Schedule (Date): March 15, 1994

- A. Has the plan or strategy been implemented? If no, describe steps that will be taken to implement the Plan. Yes
- B. Has the plan or strategy been implemented? If no, describe steps that will be taken to implement the Plan. Yes
- C. Has the plan or strategy been implemented? If no, describe steps that will be taken to implement the Plan. Yes
- D. Has the plan or strategy been implemented? If no, describe steps that will be taken to implement the Plan. Yes
- E. Has the plan or strategy been implemented? If no, describe steps that will be taken to implement the Plan. Yes
- F. Has the plan or strategy been implemented? If no, describe steps that will be taken to implement the Plan. Yes
- G. Has the plan or strategy been implemented? If no, describe steps that will be taken to implement the Plan. Yes

- H. Status of Strategy- (Is the strategy functioning as intended, ie., are time frames being met, etc.)Yes
- I. Status of Strategy- (Is the strategy functioning as intended, ie., are time frames being met, etc.)Yes
- J. Status of Strategy- (Is the strategy functioning as intended, ie., are time frames being met, etc.)Yes

- A. Home buying seminars are offered throughout Lake County for SHIP eligible clients.
- B. Home maintenance classes are offered that cover many cost-saving home maintenance techniques and encourage do-it-yourself home repairs.
- C. Consumer credit counseling for applicants to achieve credit-worthiness sufficient for home ownership.
- D. The affordable housing Committee continues to be aware of trends and issues that affect the cost of housing along with innovative approaches to production of affordable housing.
- E. Information about the Affordable Housing programs is mailed out on request to potential applicants, lenders, groups, and non-profits to host an annual housing fair.
- F. Phone inquiries about the Affordable Housing programs are answered by staff.

B. Name of the Strategy: **Ongoing Review Process**

An ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption.

Provide a description of the procedures used to implement this strategy:

Growth Management staff prepares reports that analyze proposed policies, procedures, ordinances, regulations, codes, rezoning and Comprehensive Plan Amendments. The staff reports are prepared for use by the various advisory boards and the Board of County Commissioners, and may or may not serve as a basis of their decision. The reports include a section in all relevant staff reports that analyzes the impact of the proposed action on the cost of housing. The potential to increase the cost of housing shall not in itself be sufficient to recommend denial of any proposed changes to existing policies, procedures, ordinances, regulations, or plan provisions. If it is a policy change that does not require Board action, a summary with the associated cost should be forwarded to the Housing and Community Development Manager for review and comment prior to implementation.

#### IV. EXHIBITS:

- A. Administrative Budget for each fiscal year covered in the Plan.
- B. Timeline for Estimated Encumbrance and Expenditure.
- C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan.
- D. Signed Certification.
- E. Signed, dated, witnessed or attested adopting resolution.
- F. Program Information Sheet.
- G. Ordinance: (If changed from the original creating ordinance).

- H. **Interlocal Agreement:**  
A copy of the Interlocal Agreement if applicable.

**CITY OF GROVELAND**  
156 South Lake Avenue  
Groveland, Florida  
352/429-2141 (Telephone) 352/429-3852 (FAX)

**APPLICATION FOR UTILITY SERVICES**

APPLICATION #: 031955/2015

DATE: 04/15/2015

NAME: ROBIN DEWITT

STREET ADDRESS: 1115 BLUEGRASS DR LOT 116

MAILING ADDRESS: 1115 BLUEGRASS DRIVE

CITY, STATE, ZIP: GROVELAND, FL 34736

TELEPHONE #: (407) 761-1392

DATE OF BIRTH: / /

DRIVER'S LICENSE #: /

SS #:

APP. TYPE: OWNER

DATE SERVICE TO BEGIN: 04/15/2015

Refundable Deposit: \$75.00

Non-refundable Service Fee: \$25.00

---

Applicant's Signature

I understand the City has implemented a residential rental housing inspection program which requires an owner to register residential rental units with the City and allow the City to conduct an inspection prior to any tenants moving into the rental property. If I am the owner, I understand I may be fined by the City after a hearing if I fail to register residential rental units with the City and allow an inspection prior to a tenant occupying the rental property. If I am the tenant, I understand I may be required by the City to vacate the rental property within 48 hours of receiving notice if the owner has not complied with the residential rental housing inspection program.

\_\_\_\_\_ (initials of applicant) \_\_\_\_\_ (date initialed)

Your signature indicates agreement to the date utility service begins as noted above.

---

**For City Use Only:**

Account #: 04052-SA

Work Order #: \_\_\_\_\_

**CITY OF GROVELAND**  
156 South Lake Avenue  
Groveland, Florida  
352/429-2141 (Telephone) 352/429-3852 (FAX)

**APPLICATION FOR UTILITY SERVICES**

APPLICATION #: 031955/2015

DATE: 04/15/2015

NAME: ROBIN DEWITT

STREET ADDRESS: 1115 BLUEGRASS DR LOT 116

MAILING ADDRESS: 1115 BLUEGRASS DRIVE

CITY, STATE, ZIP: GROVELAND, FL 34736

TELEPHONE #: (407) 761-1392

DATE OF BIRTH: / /

DRIVER'S LICENSE #: /

SS #:

APP. TYPE: OWNER

DATE SERVICE TO BEGIN: 04/15/2015

Refundable Deposit: \$75.00

Non-refundable Service Fee: \$25.00

\_\_\_\_\_  
Applicant's Signature

I understand the City has implemented a residential rental housing inspection program which requires an owner to register residential rental units with the City and allow the City to conduct an inspection prior to any tenants moving into the rental property. If I am the owner, I understand I may be fined by the City after a hearing if I fail to register residential rental units with the City and allow an inspection prior to a tenant occupying the rental property. If I am the tenant, I understand I may be required by the City to vacate the rental property within 48 hours of receiving notice if the owner has not complied with the residential rental housing inspection program.  
\_\_\_\_\_ (initials of applicant) \_\_\_\_\_ (date initialed)

Your signature indicates agreement to the date utility service begins as noted above.

**For City Use Only:**

Account #: 04052-SA

Work Order #: \_\_\_\_\_





## REQUEST FOR CITY COUNCIL CONSIDERATION

<b>MEETING DATE:</b> May 4, 2015
----------------------------------

<b>AGENDA ITEM:</b>	<b>Green Valley Reclaimed Tank Fill Line Project</b>
---------------------	--

<b>CITY GOAL:</b>	Develop, maintain and rebuild safe, clean, diverse, healthy, neighborhoods, including partnering with the school district.
-------------------	--

<b>PREPARED BY:</b>	James Huish
---------------------	-------------

<b>DATE:</b>	April 16, 2015
--------------	----------------

**BACKGROUND:** The amount of reclaimed water available to serve the South Groveland residential communities of Eagle Point, Marina Del Rey, Lake Douglas Landing, Westwood and Waterside Pointe may not be adequate to irrigate lawns and landscaping during dry, high use periods. The City selected BESH Engineering to submit the attached proposal for design of an alternative water source from the potable water system. An automated fill line will be piped to the top of the existing reclaimed water storage tank and operate to fill the tank when the water level reaches an established set point. The cost of designing this project is \$15,110.00. This project was not funded in the current reclaimed water budget, but funding is available in the Professional Services account line of the Reclaim Water Division budget.

<b>STAFF RECOMMENDATION:</b> Approve the submittal for design of the Green Valley Reclaimed Tank Fill Line Project submitted by BESH.
---

<b>REVIEWED BY CITY MANAGER:</b>
----------------------------------

<b>COUNCIL ACTION:</b>
------------------------

<b>MOTION BY:</b>
-------------------

<b>SECOND BY:</b>
-------------------

*"The city with a future, watch us grow!"*



VIA EMAIL & US MAIL

April 15, 2015

James Huish  
Director of Public Services  
City of Groveland  
1198 Sampey Road  
Groveland, Florida 34736

RE: **PROPOSAL/AGREEMENT FOR CITY OF GROVELAND  
GREEN VALLEY RECLAIMED TANK FILL LINE PROJECT**

Dear Mr. Huish:

Enclosed please find Booth, Ern, Straughan & Hiott, Inc.'s proposal for the above-referenced Green Valley Reclaimed Tank Fill Line project.

We look forward to serving you on this exciting project. Should you have any questions with regards to this matter, please feel free to contact our office.

Sincerely,  
**BOOTH, ERN, STRAUGHAN & HIOTT, INC.**

Robert A. Ern, Jr., P.E.  
Principal  
[ren@besandh.com](mailto:ren@besandh.com)

RAE\sl

c: Claudia Bulgrin, BESH, Inc. (via email)

Enclosure

H:\Sherry\WordPerfect\Rob\Proposal\City of Groveland\Green Valley Reclaimed Tank Fill Line Project\Submittal 04-15-2015.doc

**ENGINEERS ♦ SURVEYORS ♦ LAND PLANNERS**  
902 North Sinclair Avenue ♦ Tavares, Florida 32778  
Phone: 352.343.8481 ♦ Fax: 352.343.8495  
E-Mail: [Info@besandh.com](mailto:Info@besandh.com) ♦ [www.besandh.com](http://www.besandh.com)

**CIVIL ENGINEERING AND SURVEYING SERVICES  
PROPOSAL/AGREEMENT**

**FOR**

**CITY OF GROVELAND  
GREEN VALLEY RECLAIMED TANK FILL LINE PROJECT**

**ENGINEERS:**

Robert A. Ern, Jr., P.E., Principal  
BOOTH, ERN, STRAUGHAN & HIOTT, INC.  
902 North Sinclair Avenue  
Tavares, Florida 32778  
(352) 343-8481 - Phone  
(352) 343-8495 - Fax  
[ern@besandh.com](mailto:ern@besandh.com)

**CLIENT:**

James Huish, Director of Public Serv.  
CITY OF GROVELAND  
1198 Sampey Road  
Groveland, Florida 34736  
(352) 429-0227 - Phone  
[james.huish@groveland-fl.gov](mailto:james.huish@groveland-fl.gov)

PROJECT: City of Groveland Green Valley Reclaimed Tank Fill Line Project  
CLIENT: James Huish, Director of Public Services, City of Groveland  
DATE: April 15, 2015

---

## **CIVIL ENGINEERING AND SURVEYING SERVICES PROPOSAL/AGREEMENT**

### **Project Understanding:**

The City of Groveland desires to install a new pipeline to fill the existing Green Valley Reclaimed Water Storage Tank from the potable water system when there is insufficient reclaimed water to serve the reclaimed water system. The fill line would be automated based upon the tank levels in the reclaimed water tank.

### **Scope of Services:**

To provide engineering design, permitting and construction management services for the installation of an automated potable water fill connection to the Green Valley Reclaimed Water Storage Tank. Final product will be complete construction documents and applicable permits ready for construction. BESH's scope of services include the following tasks:

#### **TASK I DATA COLLECTION/SURVEY**

Conduct a limited site survey at the existing Green Valley site as necessary to design the improvements. Survey location of underground utilities as marked and identified by the City of Groveland.

**FEE: \$1,260.00**

#### **TASK II DESIGN AND PERMITTING**

BESH will prepare final construction documents for the design of a potable water line to fill the existing reclaimed water tank with appropriate air gap and RPZ as required by FDEP. BESH will prepare and submit FDEP application for Construction of Domestic Wastewater Collection/Transmission System. In addition, BESH shall prepare and submit FDEP General Permit application for construction of the waterline. Finally, BESH shall prepare and submit a Lake County Right-of-Way Permit Application for the crossing of Silver Eagle Road.

##### **Deliverables:**

- 90% Drawings and Specifications
- 100% Drawings and Specifications
- One (1) complete set of 11x17 drawings, six (6) complete sets of full size drawings, and one (1) electronic copy in pdf format.
- One (1) hard copy set of specifications, one (1) electronic copy in pdf format.

**FEE: \$5,100.00**

PROJECT: City of Groveland Green Valley Reclaimed Tank Fill Line Project  
CLIENT: James Huish, Director of Public Services, City of Groveland  
DATE: April 15, 2015

---

### **TASK III CONSTRUCTION ADMINISTRATION SERVICES**

BESH, Inc., will advise and consult with Owner and act as its representative during construction. BESH, Inc., will make periodic visits to the site to observe the progress and quality of the executed site work and to determine in general if the work is proceeding in accordance with the construction drawings. BESH, Inc., will review and approve shop drawings, results of tests and inspections and other data that the contractor is required to submit.

Based upon the on-site observations and field survey as-builts to be provided by Contractor, BESH, Inc., shall prepare and submit certifications of completions to the following State and local agencies as required:

1. City of Groveland.
2. Florida Department of Environmental Protection.
3. Lake County Public Works

**FEE: \$2,550.00**

### **TASK IV ELECTRICAL ENGINEERING DESIGN/CONSTRUCTION ADMINISTRATION**

BESH, Inc., shall contract with Bailey Engineering Consultants, Inc., to provide electrical engineering design and construction administration for the proposed lift station project

**FEE: \$6,200.00**

PROJECT: City of Groveland Green Valley Reclaimed Tank Fill Line Project  
CLIENT: James Huish, Director of Public Services, City of Groveland  
DATE: April 15, 2015

---

### SUMMARY FEE SCHEDULE

TASK I	\$ 1,260.00
TASK II	\$ 5,100.00
TASK III	\$ 2,550.00
TASK IV	\$ 6,200.00
<b>TOTAL</b>	<b>\$ 15,110.00</b>

#### Owner Responsibilities:

The Owner shall provide the following information for use by BESH in preparing the construction documents and calculations:

- As-built information on the existing reclaimed tank and yard piping at the Green Valley site.
- Scada information on existing site for integration of new tank fill controls.
- Requirements for scada system.
- Providing underground utility location services on the existing site.

#### Does not include:

- Project bidding or bid documents. City of Groveland to construct onsite improvements "in-house" and City will bid directional bore under Silver Eagle Road.
- Permit application fees
- Reproduction fees (to be billed at cost)

PROJECT: City of Groveland Green Valley Reclaimed Tank Fill Line Project  
CLIENT: James Huish, Director of Public Services, City of Groveland  
DATE: April 15, 2015

---

**HOURLY RATE SCHEDULE**  
**2015**

Professional Services shall be charged at the following rate schedule:

**ENGINEERING**

PROFESSIONAL ENGINEER (PRINCIPAL)	\$145.00/HOUR
PROFESSIONAL ENGINEER	\$130.00/HOUR
PROJECT ENGINEER	\$110.00/HOUR
ENGINEER TECHNICIAN I	\$95.00/HOUR
ENGINEER TECHNICIAN II	\$75.00/HOUR
BUILDING INSPECTOR	\$65.00/HOUR
CONSTRUCTION ENGINEER	\$85.00/HOUR
EXPERT TESTIMONY PROFESSIONAL ENGINEER	\$300.00/HOUR

**SURVEYING**

PROFESSIONAL SURVEYOR (PRINCIPAL)	\$145.00/HOUR
PROFESSIONAL SURVEYOR	\$110.00/HOUR
3 MAN FIELD CREW	\$145.00/HOUR
2 MAN FIELD CREW	\$125.00/HOUR
SURVEY TECHNICIAN I	\$95.00/HOUR
SURVEY TECHNICIAN II	\$75.00/HOUR
SURVEY TECHNICIAN III	\$30.00/HOUR
TITLE RESEARCHER	\$110.00/HOUR
EXPERT TESTIMONY PROFESSIONAL SURVEYOR	\$300.00/HOUR

All printing for this project shall be billed out at the following rate schedule, plus sales tax:  
(Outside Copying Services will be billed at cost)

PROJECT: City of Groveland Green Valley Reclaimed Tank Fill Line Project  
CLIENT: James Huish, Director of Public Services, City of Groveland  
DATE: April 15, 2015

---

### **Engineering Bond Copies**

#### **Black & White**

11 x 17.....\$1.25  
24 x 36.....\$2.50

#### **Color Copies**

11 x 17.....\$2.00  
24 x 36.....\$6.00

### **Black & White Copies**

8 ½ x 11.....\$0.10  
8 ½ x 14.....\$0.15  
11 x 17.....\$0.20

### **Color Copies**

8 ½ x 11.....\$1.20  
8 ½ x 14.....\$1.45  
11 x 17.....\$1.70

### **Other Printing Services**

24 x 36 Vellum.....\$9.00  
24 x 36 Mylar.....\$12.00  
24 x 36 Photo Paper, Color..... \$36.00  
24 x 36 Foam Board.....\$20.00

### **Other Services**

Fax.....\$1.00/Copy  
Postage (Fed-Ex, Certified Mail, Etc)....@ cost  
Concrete Monuments..... \$10.00  
Rebar..... \$2.00  
Mileage (T/M Projects Only)..... \$0.59



PROJECT: City of Groveland Green Valley Reclaimed Tank Fill Line Project  
CLIENT: James Huish, Director of Public Services, City of Groveland  
DATE: April 15, 2015

---

## **TERMS AND CONDITIONS**

### **I. GENERAL CONDITIONS**

#### **A. AGREEMENT:**

These terms and conditions are attached to and made part of the proposal for services (the "Proposal for Services") by which Booth, Ern, Straughan & Hiott, Inc. ("BESH") has agreed to perform certain professional engineering and/or surveying services for and on behalf of **City of Groveland** ("Client"). The Proposal for Services, these terms and conditions, the hourly rate schedule, and the executed authorization to proceed attached to these terms and conditions shall constitute a contract (hereinafter referred to as the "Agreement") for the provision of services by BESH to and on behalf of Client.

#### **B. TERMINATION:**

This Agreement may be terminated by either party by furnishing written notice to the other party at least thirty (30) days prior to the effective date of termination. In the event that this Agreement is terminated by either party, Client shall pay BESH for all services performed and expenses incurred through the date of termination.

#### **C. DOCUMENTS:**

##### **ENGINEERING DOCUMENTS**

All original drawings, computations, details, design calculations, and electronic media that result from engineering services performed by BESH pursuant to this Agreement are and at all times shall remain the property of BESH. Signed and sealed construction plans, pdf files and AutoCad files will be issued to the Client as needed for permitting, bidding and construction. In doing so, Client agrees that no additions, deletions, changes or revisions shall be made to any of said documents without the express written approval of BESH. If payment for services is not received in accordance with Section II.(C)(Payment) of this Agreement, BESH reserves the right not to release any documents until payment is made current.

##### **SURVEYING DOCUMENTS**

All original drawings, computations, details, design calculations, field notes, and electronic media that result from surveying services performed by BESH pursuant to this Agreement are and at all times shall remain the property of BESH. Signed and sealed surveys may be obtained for a period of time up to ninety (90) days after issuance of the survey, and certifications may be revised during that same period of time for a fee of \$50.00 for each revision. Upon payment in full for services completed, and within the same period of ninety (90) days, Client, at Client's expense, may obtain copies of any documents or reproducible copies of drawings. In doing so, Client agrees that no additions, deletions, changes or revisions shall be made to any of said documents without the express written approval of BESH. After ninety (90) days and within one hundred eighty (180) days following issuance of the survey, BESH will revise certifications and will visually inspect the subject property for the purpose of reissuing a signed and sealed survey, charging its then-current hourly rates for performing said services and reissuing the survey.

**D. FEE RENEGOTIATION:**

The Proposal for Services describes the specific services to be performed and tasks to be undertaken by BESH for and on behalf of Client, and states the fee (the contract price) for each service and task. Except as otherwise provided in this Agreement, the contract prices quoted in the Proposal for Services shall remain in effect for a period of two (2) years from the date of execution of this Agreement. After the expiration of two (2) years from the date hereof, the contract prices stated in the Proposal for Services shall be renegotiated between BESH and Client with respect to all services and tasks that have not been completed by that date. The hourly rates set forth in the hourly rate schedule that is part of this Agreement shall apply to all **additional services** requested by Client outside the scope of the services and tasks described in the Proposal for Services. Said hourly rates are applicable through December 31<sup>st</sup> of the year in which this Agreement was executed, and are subject to renegotiation on January 1 of each year thereafter.

**E. REGULATORY REQUIREMENTS:**

The contract prices and hourly rates set forth in this Agreement have been quoted based on all federal, state and local regulations in effect as of the date that the authorization to proceed work is signed by the latter of BESH and Client. If any of said regulations change during the permitting and design phase of this project, BESH reserves the right to increase fees for services that may be affected by regulatory changes upon written notice to the Client.

**F. PERMIT ACQUISITION**

BESH cannot guarantee the acquisition of any or all of the permits and/or approvals that shall be required for Client's project. BESH agrees that it shall exercise its best efforts try to obtain all of the necessary permits and/or approvals. Nevertheless, Client shall be responsible for payment of all consulting fees due BESH regardless of agency/governmental actions, including without limitation the failure of one or more governmental agencies to give the necessary approval for the project.

**II. COMPENSATION**

**A. ADDITIONAL SERVICES:**

BESH shall be fully compensated by Client for all additional services performed by BESH, including, without limitation, the following:

1. Changes made at Client's request to the scope of services defined in this Agreement.
2. Revisions made necessary as a result of changes to local, state or federal governmental requirements after the date of this Agreement.
3. Redesign per Client after preliminary design has been submitted to the relevant approving agency.

Client must sign a separate authorization to proceed form (a "Change Order") for each change in scope of services requested by Client before BESH is obligated to perform the revised scope of services.

**B. OUT-OF-POCKET EXPENSES:**

In addition to the fee schedule set forth in the Proposal for Services and the hourly rates to be charge for all additional services performed by BESH, BESH shall be reimbursed for all out-of-pocket expenses incurred by BESH, including, without limitation: blueprints, copies, plots, aerals, express deliveries, specialized postage, overnight courier services (such as Federal Express and UPS) and travel outside of the Central Florida area (greater than 25 miles from BESH's office located in Tavares, Florida). Printing and mileage expenses are set forth on the hourly rate schedule that is part of this Agreement. All other charges shall be billed to and paid by Client based on the actual costs incurred by BESH.

**C. PAYMENT:**

BESH shall submit invoices to Client on a semi-monthly (twice per month) basis. On each invoice, BESH will bill for its services in accordance with the hourly rate schedule included as part of this Agreement. The invoice also will identify the task or the tasks from the Proposal for Services on which BESH performed services during the billing period. If the Proposal for Services states a lump sum dollar figure for any particular task, the lump sum amount will represent a "not to exceed" figure for the task in question, and BESH will continue to bill by the hour for its services on that task until the "not to exceed" figure has been billed in full. Thereafter, unless the scope of services to be performed by BESH pursuant to said task has been changed and the compensation to be paid to BESH has been modified pursuant to Section II.A. of these Terms and Conditions, BESH will continue to perform its services under that task without additional charges for its services until BESH has performed all work required by that task. Client shall notify BESH in writing within ten (10) days from the date of the invoice if Client has any questions about the services performed or the charges for those services as reflected on the invoice. Client waives any and all challenges to the services performed and the charges for those services not raised within said ten (10) day timeframe. All invoices shall be due and payable in full within fourteen (14) days from the date of the invoice. All unpaid balances that remain unpaid after fourteen (14) days from the date of the invoice shall be subject to interest on the unpaid balance at the rate of 1.5% per month.

**All outstanding invoices shall be paid in full by Client prior to plan submittal to any permitting agency, preparation of Final Plans for building purposes, Final Recording of Record Plat, and/or Final Certification of Completion to state and local agencies. BESH shall have no obligation under this Agreement to submit or prepare any of the foregoing materials unless and until Client complies with this requirement. In addition, in the event that any balance remains unpaid for at least 45 days from the date of the invoice which included the unpaid balance, BESH shall have the right to terminate any and all further work on the project until Client has paid said balance in full.**

**III. MISCELLANEOUS**

**A. FORCE MAJEURE:**

BESH shall not be liable for any delays or failure in performance due to contingencies beyond BESH's reasonable control including, without limitation, acts of God, war, fire, explosion, flood, epidemic, severe weather, earthquake, rainstorm, riots, theft, accidents, strike, work stoppage, acts or regulations of a governmental entity, shortages of vehicles, fuel, power, labor or material, delays of other companies or contractors, or any other causes whatsoever whether similar or

PROJECT: City of Groveland Green Valley Reclaimed Tank Fill Line Project  
CLIENT: James Huish, Director of Public Services, City of Groveland  
DATE: April 15, 2015

---

dissimilar to those previously enumerated. In the event of delay caused by any of the foregoing, BESH's time for performance shall be extended for such time as may be reasonably necessary to enable BESH to perform.

**B. LIMITATION OF LIABILITY:**

UNDER NO CIRCUMSTANCES SHALL BESH BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS, LIQUIDATED DAMAGES, DELAYS, LOSS OF PRODUCTIVITY, INEFFICIENCY, LOSS OF GOOD WILL, OR ANY OTHER DAMAGES WHICH ARE SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL. THE LIABILITY OF BESH TO CLIENT, FOR ANY CAUSE OR COMBINATION OF CAUSES ARISING OUT OF OR RELATED TO THIS AGREEMENT, SHALL BE LIMITED TO THE TOTAL AMOUNT OF THE COMPENSATION PAID BY CLIENT TO BESH PURSUANT TO THIS AGREEMENT.

**C. ENTIRE AGREEMENT:**

This Agreement constitutes the entire agreement between BESH and Client and supercedes any and all prior or contemporaneous understandings, representations and agreements, oral or written. No amendment, modification or waiver hereof will be binding on BESH unless made in writing and duly executed by an authorized representative of BESH.

**D. WAIVER:**

The failure of BESH to enforce any provision of this Agreement or to exercise any right accruing through the default of the Client hereunder, shall not constitute a waiver of any other rights of BESH with respect to this Agreement.

**E. COSTS AND ATTORNEY'S FEES:**

In the event of any litigation to enforce the terms of this Agreement, BESH shall be entitled to recover court costs and reasonable attorney's fees for all proceedings, including at the trial court level, on appeal, and in connection with bankruptcy court proceedings. In the event that BESH retains the services of an attorney to collect from Client any sums due hereunder, BESH shall be entitled to recover from Client all fees and costs incurred with said attorney, whether suit is brought or not.

**F. GOVERNING LAW; VENUE:**

This Agreement shall be governed by and construed under the laws of the State of Florida. Venue for any proceeding based upon this Agreement shall lie exclusively in the state court of competent jurisdiction in Lake County, Florida.

**G. SEVERABILITY:**

If any provision of this Agreement is held invalid or otherwise unenforceable, the enforceability of the remaining provisions shall not be impaired thereby but rather this Agreement shall be construed as if not containing the particular invalid or unenforceable provision or provisions and the rights and obligations of the parties shall be construed and enforced accordingly.

PROJECT: City of Groveland Green Valley Reclaimed Tank Fill Line Project  
CLIENT: James Huish, Director of Public Services, City of Groveland  
DATE: April 15, 2015

---

**H. STATEMENT REGARDING DESIGN PROFESSIONALS  
(ABSENCE OF LIABILITY).**

THIS AGREEMENT HAS BEEN ENTERED INTO BETWEEN CLIENT AND BESH. CLIENT ACKNOWLEDGES AND AGREES THAT THE INDIVIDUAL EMPLOYEES AND AGENTS OF BESH, INCLUDING WITHOUT LIMITATION THE DESIGN PROFESSIONALS WHO ARE EMPLOYEES OR AGENTS OF BESH, ARE NOT PARTIES TO THIS AGREEMENT. PURSUANT TO SECTION 558.0035, FLORIDA STATUTES, THE INDIVIDUAL EMPLOYEES OR AGENTS OF BESH (INCLUDING WITHOUT LIMITATION ALL ENGINEERS, SURVEYORS, AND OTHER DESIGN PROFESSIONALS WHO ARE EMPLOYEES OR AGENTS OF BESH), SHALL NOT BE HELD INDIVIDUALLY LIABLE FOR NEGLIGENCE ARISING OUT OF OR RELATED TO ANY WORK PERFORMED BY SAID EMPLOYEES OR AGENTS PURSUANT TO THIS AGREEMENT.

PROJECT: City of Groveland Green Valley Reclaimed Tank Fill Line Project  
CLIENT: James Huish, Director of Public Services, City of Groveland  
DATE: April 15, 2015

---

### AUTHORIZATION TO PROCEED

#### PROPOSAL FOR CIVIL ENGINEER AND SURVEYING SERVICES AS DESCRIBED IN THE ATTACHED PROPOSAL

To acknowledge your agreement with the terms and conditions set forth in this Agreement (consisting of the Proposal for Services, the Terms and Conditions, the Hourly Rate Schedule and this Authorization to Proceed), and to provide Booth, Ern, Straughan & Hiott, Inc. (BESH) with Client's authorization to proceed with the work described in the Agreement, please fill out and sign the Authorization to Proceed below and return it to our office. We will schedule the work upon receipt of the executed Authorization to Proceed. The contract prices, hourly rates, and costs for printing and similar expenses set forth in this Agreement shall be valid for ninety (90) days from the date of this proposal. If this Agreement is not accepted by Client within said period of ninety (90) days, BESH reserves the right to modify any and all of the contract prices, hourly rates and cost figures set forth herein.

Retainer Amount: \$ N/A

THIS PROPOSAL/AGREEMENT ACCEPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2015.

**Booth, Ern, Straughan & Hiott, Inc.**

**Client**

Signature



Signature

By: Robert A. Ern, Jr., P.E.

By: \_\_\_\_\_

Title: Principal

Title: \_\_\_\_\_

PROJECT: City of Groveland Green Valley Reclaimed Tank Fill Line Project  
CLIENT: James Huish, Director of Public Services, City of Groveland  
DATE: April 15, 2015

---

### CLIENT INFORMATION FORM

To assist Booth, Ern, Straughan & Hiott, Inc., to prepare the requested proposal, please complete the information below:

PRINT NAME & TITLE: \_\_\_\_\_

COMPANY NAME: \_\_\_\_\_

BILLING ADDRESS: \_\_\_\_\_

\_\_\_\_\_

PHONE: \_\_\_\_\_

FAX: \_\_\_\_\_

E-MAIL: \_\_\_\_\_

DATE: \_\_\_\_\_

CLIENT REPRESENTATIVE: \_\_\_\_\_

IS CLIENT THE OWNER OF THE SUBJECT PROPERTY?:

YES: \_\_\_\_\_

NO: \_\_\_\_\_

(If no, Booth, Ern, Straughan & Hiott, Inc., reserves the right to require a retainer prior to commencing services.)

Is the property accessible? If gated/locked, who shall BESH contact to gain access to the property?

NAME AND PHONE NUMBER: \_\_\_\_\_

I HEREBY CERTIFY THAT THE ABOVE INFORMATION IS TRUE TO THE BEST OF MY KNOWLEDGE.

SIGNATURE: \_\_\_\_\_



## REQUEST FOR CITY COUNCIL CONSIDERATION

<b>MEETING DATE:</b> May 4, 2015
----------------------------------

<b>AGENDA ITEM:</b>	<b>Award RFP for 2012A Note Refinancing to CenterState Bank</b>
---------------------	---

<b>CITY GOAL:</b>	Establish a sound and sustainable government supported by professionalism, progressive thinking and modernizing the organization.
-------------------	---

<b>PREPARED BY:</b>	Gwen Walker, Finance Director
---------------------	-------------------------------

<b>DATE:</b>	April 24, 2015
--------------	----------------

**BACKGROUND:** At the January 21, 2015 Council Meeting, Mr. Larson of Larson Consulting reviewed the 2012A Public Safety Property Loan and the need to refinance it. With a \$1.5 million balloon payment due in October 2019 and note covenants that state **"The City will not while the Notes are Outstanding, without the prior approval of the Bank, incur any indebtedness"** this loan in its current form inhibits the City's ability to entertain future general fund projects such as a new municipal complex, amphitheater or to respond with efficiency to any type of natural disaster.

At the February 19, 2015 Council Meeting, Council voted to authorize staff to receive RFPs for the refinancing of the 2012A Public Safety Property Loan. RFPs were solicited from 20 banks with 9 responding. The overview of those responses is attached.

RFPs were received until April 8, 2015 at 4:00 p.m. The selection committee, comprised of City Manager Redmond Jones and Finance Director Gwen Walker reviewed the proposals. A conference call was held with the City's Financial Advisor, Jeff Larson of Larson Consulting on Friday, April 10, 2015 to review the proposals and make a selection. The committee is recommending that CenterState Bank be approved as the City's loan provider. The quoted interest rate is 1.35% for the term of 5 years. This option more than doubles the annual debt service payment but there are sufficient funds available in the Discretionary Tax Fund to cover any shortfall of pledged revenues, should that occur.

Jeff Larson of Larson Consulting is here to answer any questions Council may have regarding the process.

<b>STAFF RECOMMENDATION:</b> Award RFP to CenterState Bank
--

<b>REVIEWED BY CITY MANAGER:</b>
----------------------------------

<b>COUNCIL ACTION:</b>
------------------------

<b>MOTION BY:</b>
-------------------

<b>SECOND BY:</b>
-------------------

*"The city with a future, watch us grow!"*



Larson Consulting Services, LLC  
10151 University Blvd., #117  
Orlando, FL 32817  
Tel: 407-496-1597  
Email: jlarson@larsonconsults.com

**MEMORANDUM  
VIA EMAIL**

**TO:** Gwen Walker  
Finance Director  
City of Groveland, Florida

**FROM:** Jeff Larson, President, Larson Consulting Services  
Financial Advisor to the City

**DATE:** April 15, 2015

**RE:** Financial Advisor's Recommendation for the Lender for up to \$2,500,000 for  
the Proposed Capital Improvement Revenue Note, Series 2015  
Improvements Project

**A. OVERVIEW AND PROCESS:**

After discussions with the City Staff and Bond Counsel, and a Motion to Proceed from the City Council on February 19<sup>th</sup>, we worked closely with the City to prepare and distribute the City's Bank RFP on March 13<sup>th</sup> to approximately twenty (20) financial institutions. Nine responses were received by the due date of April 8<sup>th</sup> and this is a very high level of responses. It is also important to note that a number of the banks also responded with both Ten and Fifteen Year Term options as a sign of confidence in the City's financial position. Our staff spent a good bit of time reaching out to the various banks, addressing their questions, and encouraging their response and interest. The "no contact" rule has been in place, and to our knowledge, no contacts were made directly to other City Staff or the City Council.

This proposed tax-exempt, bank qualified refinancing is subject to the City Council's approval and documentation satisfactory to the City, City Attorney, Bond Counsel, and proposed Lender. The Series 2015 Note of approximately \$2,182,000 has been sized to fully pay off the remaining balance of the City's 2012A Note and pay estimated cost of issuance.

Due to current market conditions, the RFP responses represent historically low interest rates and below our RFP estimates. The proposed credit structure also simplifies the City's Pledged Revenues and removes unnecessary bank control over the City's ability to consider additional capital financings. As recommended by us given the size and short term nature of this financing, the Bank RFP and proposed financing focused on a targeted tax exempt, bank qualified LOAN option versus a more extensive, and costly publicly offered BOND ISSUE securities option. On a bank loan, estimated costs of issuance or closing costs are paid out of proceeds, and are estimated to be a total of \$50,000 reduced from earlier estimates of \$60,000, as compared to a Bond Issue's estimated cost of issuance of approximately \$250,000.

## **B. RESPONSES AND FA RECOMMENDATIONS:**

As your Financial Advisor, we thoroughly reviewed each response with the questions and criteria outlined in the RFP to determine “conforming” versus “nonconforming” responses. Given the nature of the proposed financing, it is important to focus on (1) the proposed Tax Exempt Fixed Rate AND the bank’s willingness to hold the rate until the projected Closing Date, (2) the bank/bank counsel’s fees, (3) any additional covenants requested in addition to the City’s RFP Term Sheet. The recommended Lender accepted the City’s proposed RFP Term Sheet (1<sup>st</sup> lien on State ½ Sales Taxes, Public Service Taxes and Franchise Fees).

### **Refinancing of Series 2012A Note:**

Each of the banks was asked to provide fixed rates for a Five Year, Ten Year and Fifteen Year Term Options. The current 2012A Note carrying a rate of 2.27% is set to expire on October 1, 2019 with a large balloon payment of approx. \$1.6Million. We worked with Staff to review the lowest fixed rates for the three Term Options and a summary of that is attached. The 2012A Note refinanced an earlier 2007A Note used to buy land for a proposed Public Safety Complex project. Notwithstanding the increase in annual debt service on the shorter Five Year Term Option that is structured with approximately level annual debt service, we support Staff’s recommendation of Five Year Term as it represents less total debt service and greater savings for the City. The lowest three Bank responses for the recommended Five Year Term Option are provided below.

<b><u>Bank</u></b>	<b><u>Proposed Fixed Rate (%)</u></b>	<b><u>Comments</u></b>
<b>CenterStateBank</b>	<b>1.35%, Rate to Hold Until Closing (May 6, 2015). Ability to prepay without Penalty.</b>	<b>Up to \$5,000 Bank Counsel</b>
<b>Hancock Bank</b>	<b>1.38%, Bank to hold rate. Prepayable without penalty. Would require additional Covenants and pledged revenues.</b>	<b>Up to \$6,000 Bank Counsel</b>
<b>Regions Bank</b>	<b>1.49%, Bank to hold rate. Ability to prepay without penalty.</b>	<b>Up to \$5,000 Bank Counsel Fee.</b>

Out of the remaining six banks, not every bank was willing to hold the rate until closing, either providing “indicative rates”, subject to change or requiring an Interest Lock Agreement. Not all of the Banks were willing to provide the Note with the ability to prepay without a penalty an additional fee. The ability to have the flexibility to prepay without penalty is very important.

### C. RECOMMENDATION

We support Staff's recommendation to chose the Five Year Term Option. Therefore, we recommend that the City Council approve the recommendation of the Selection Committee and City's Financial Advisor's of Center State Bank. In order to lock in the rate noted above, the Bank will require that the Mayor or City Manager execute their Commitment Letter. This will then allow us to work with the City's Bond Counsel, City Attorney, and Staff in preparing the legal documentation for this Note and bring it back to the City Council for approval at its May 4<sup>th</sup> meeting. Preclosing/signing would follow at City Hall on May 5<sup>th</sup> and a closing or payoff of the Series 2012A Note on May 6<sup>th</sup>. We are still enjoying a period of historically low rates, so this is a good time to pursue this refinancing. The estimated Sources and Uses Statement and proforma Debt Service Schedule are attached for reference.

Unless otherwise directed by the City, the other respondents, and non respondents, per the City's RFP, will not be contacted until City Council action on this matter on April 20<sup>th</sup>.

We certainly appreciated the opportunity to be of service, and will be happy to address any questions, and can plan to be present on April 20, 2015 in support of this recommendation if that is helpful.

Congratulations on these fine results.

JTL

## SOURCES AND USES OF FUNDS

**CITY OF GROVELAND, FLORIDA**  
**CAPITAL IMPROVEMENT REVENUE REFUNDING NOTE, SERIES 2015**  
(Refunding of Series 2012A Note)  
Same Final Maturity

Dated Date: 5/6/2015  
Delivery Date: 5/6/2015

<i>Sources</i>	<i>Refunding Note, Series 2015</i>
Note Proceeds:	
Par Amount of Bonds	2,182,000.00
Premium/(OID)	
	<hr/> 2,182,000.00
Other Sources of Funds:	
Debt Service Sinking Fund	
<b>Total Sources</b>	<b>2,182,000.00</b>

<i>Uses</i>	
Refunding Escrow Deposits	
Escrow Cost	2,131,931.63
Delivery Date Expenses (estimated)	
Cost of Issuance	50,000.00
Other Uses of Funds	
Additional Proceeds (1)	68.37
<b>Total Uses</b>	<b>2,182,000.00</b>

(1) Represents rounding to nearest \$100

## NOTE DEBT SERVICE

**CITY OF GROVELAND, FLORIDA**  
**CAPITAL IMPROVEMENT REVENUE REFUNDING NOTE, SERIES 2015**  
(Refunding of Series 2012A Note)  
Same Final Maturity

Dated Date: 5/6/2015  
Delivery Date: 5/6/2015

Date	Principal	Coupon	Interest	Debt Service	Annual Debt Service
5/6/2015					
10/1/2015	86,500	1.350%	11,864.63	98,364.63	98,364.63
4/1/2016	256,000	1.350%	14,144.63	270,144.63	
10/1/2016	257,500	1.350%	12,416.63	269,916.63	540,061.26
4/1/2017	259,500	1.350%	10,678.50	270,178.50	
10/1/2017	261,000	1.350%	8,926.88	269,926.88	540,105.38
4/1/2018	263,000	1.350%	7,165.13	270,165.13	
10/1/2018	264,500	1.350%	5,389.88	269,889.88	540,055.01
4/1/2019	266,500	1.350%	3,604.50	270,104.50	
10/1/2019	267,500	1.350%	1,805.63	269,305.63	539,410.13
	2,182,000		75,996.41	2,257,996.41	

**City of Groveland, Florida**

**Capital Improvement Revenue Refunding Note, Series 2015**

*Evaluation of Refunding/Restructuring Options (1)(2)*

Current		Option 1	Option 2	Option 3
\$2,200,472	Par	\$2,182,000	\$2,182,000	\$2,182,000
5 Year	Term	4.5 Year	10 Year	15 Year
10/1/2019	Final Payment	10/1/2019	4/1/2025	4/1/2030
Balloon	Structure	Level Debt	Level Debt	Level Debt
Fifth Third	Bank	Center State	Hancock	Regions
	Bank Payoff (1)	\$2,131,932	\$2,131,932	\$2,131,932
	Cost of Issuance (est)	50,000	50,000	50,000
2.27%	Fixed Rate	1.35%	2.10%	2.41%
3.76	Average Life	2.58	5.37	8.04
\$2,313,455	Total Debt Service	\$2,257,996	\$2,428,049	\$2,604,910
\$1,625,982	MADS	\$540,105	\$245,468	\$173,103

(1) Based on responses to City's Bank RFP.



## REQUEST FOR CITY COUNCIL CONSIDERATION

<b>MEETING DATE:</b> May 4, 2015
----------------------------------

<b>AGENDA ITEM:</b>	<b>Loan Agreement between CenterState Bank and the City of Groveland</b>
---------------------	--

<b>CITY GOAL:</b>	Establish a sound and sustainable government supported by professionalism, progressive thinking and modernizing the organization.
-------------------	---

<b>PREPARED BY:</b>	Gwen Walker, Finance Director
---------------------	-------------------------------

<b>DATE:</b>	April 29, 2015
--------------	----------------

### BACKGROUND:

The accompanying loan agreement between CenterState Bank and the City of Groveland represents the conditions outlined in the RFP as agreed to by both parties. The loan is for a period of 5 years, to be fully paid in October of 2019. The interest rate is 1.35%.

The agreement is substantially complete however there may be minor revisions prior to Monday evening's meeting. Counsel will be present to review any revisions and answer any questions you may have.

<b>STAFF RECOMMENDATION:</b> Approve the loan agreement.
--

<b>REVIEWED BY CITY MANAGER:</b>
----------------------------------

<b>COUNCIL ACTION:</b>
------------------------

<b>MOTION BY:</b>
-------------------

<b>SECOND BY:</b>
-------------------

*"The city with a future, watch us grow!"*

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

---

---

**LOAN AGREEMENT**

**Dated as of May 6, 2015**

**By and Between**

**THE CITY OF GROVELAND, FLORIDA**

**and**

**CENTERSTATE BANK OF FLORIDA, N.A.**

---

---



COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

## TABLE OF CONTENTS

(The Table of Contents for this Loan Agreement is for convenience of reference only and is not intended to define, limit or describe the scope or intent of any provisions of this Loan Agreement.)

	<u>Page</u>
ARTICLE I    DEFINITION OF TERMS .....	1
Section 1.01. Definitions .....	1
Section 1.02. Interpretation.....	4
Section 1.03. Titles and Headings .....	4
ARTICLE II    REPRESENTATIONS AND WARRANTIES OF THE PARTIES .....	4
Section 2.01. Representations and Warranties of City .....	4
Section 2.02. Covenants of the City .....	5
Section 2.03. Representations and Warranties of Bank.....	5
ARTICLE III    THE 2015 NOTE .....	5
Section 3.01. Purpose and Use.....	5
Section 3.02. The 2015 Note .....	5
Section 3.03. Adjustments to 2015 Note Rate.....	6
Section 3.04. Conditions Precedent to Issuance of 2015 Note .....	7
Section 3.05. Registration of Transfer; Assignment of Rights of Bank .....	8
Section 3.06. Ownership of the 2015 Note.....	9
Section 3.07. Use of Proceeds of 2015 Note Permitted Under Applicable Law .....	9
Section 3.08. Authentication.....	9
ARTICLE IV    COVENANTS OF THE CITY .....	9
Section 4.01. Performance of Covenants.....	9
Section 4.02. Payment of 2015 Note .....	9
Section 4.03. Tax Covenant.....	10
Section 4.04. Compliance with Laws and Regulations .....	10
Section 4.05. Additional Debt.....	10
ARTICLE V    EVENTS OF DEFAULT AND REMEDIES .....	10
Section 5.01. Events Of Default .....	10
Section 5.02. Remedies.....	11
Section 5.03. Remedies Cumulative.....	11
ARTICLE VI    MISCELLANEOUS PROVISIONS.....	11
Section 6.01. Covenants of City, Etc.; Successors .....	11
Section 6.02. Term of Agreement.....	11
Section 6.03. Amendments and Supplements.....	11
Section 6.04. Notices .....	11
Section 6.05. Benefits Exclusive .....	12
Section 6.06. Severability .....	12

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

Section 6.07.	Payments Due on Saturdays, Sundays and Holidays.....	13
Section 6.08.	Counterparts.....	13
Section 6.09.	Applicable Law.....	13
Section 6.10.	No Personal Liability.....	13
Section 6.11.	Incorporation by Reference .....	13
Section 6.12.	Waiver of Jury Trial.....	13
Exhibit A	Form of Note Including Purchaser's Certificate.....	A-1

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

## LOAN AGREEMENT

**THIS LOAN AGREEMENT** (the "Agreement"), made and entered into this 6<sup>th</sup> day of May, 2015 by and between **THE CITY OF GROVELAND, FLORIDA** (the "City"), a municipal corporation of the State of Florida, and **CENTERSTATE BANK OF FLORIDA, N.A.**, a national banking association authorized to do business in Florida, and its successors and assigns (the "Bank").

### WITNESSETH:

**WHEREAS**, capitalized terms used in these recitals and not otherwise defined shall have the meanings specified in Article I of this Agreement;

**WHEREAS**, the City, pursuant to the provisions of the Florida Constitution, Chapter 166, Florida Statutes, Chapter 218, Part VI, Florida Statutes and other applicable provisions of law (all of the foregoing, collectively, the "Act"), and Resolution No. 2015-05-04, adopted by the City on May 4, 2015 (the "Resolution"), is authorized to borrow money, and more particularly issue the 2015 Note described below for the City's public purposes; and

**WHEREAS**, in response to a request for proposal regarding an intended borrowing to currently refund all of the City's outstanding Capital Improvement Revenue Refunding Note, Series 2012A (the "Refunded Note"), the Bank submitted its commitment, dated April 8, 2015 to the City (the "Commitment"); and

**WHEREAS**, the City has accepted the Commitment and the Bank is willing to purchase the 2015 Note (as hereinafter defined), but only upon the terms and conditions of this Agreement;

**NOW, THEREFORE**, the parties hereto agree as follows:

## ARTICLE I

### DEFINITION OF TERMS

**Section 1.01. Definitions.** Capitalized terms used in this Agreement shall have the respective meanings as follows unless the context clearly requires otherwise:

"Act" shall have the meaning assigned to that term in the recitals hereof.

"Agreement" shall mean this Loan Agreement and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

"Authorized Denominations" shall mean the then outstanding amount of the 2015 Note.

"Bank" shall mean CenterState Bank of Florida, N.A., a national banking association, and its successors and assigns.

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

"Bond Counsel" shall mean, Akerman LLP, or any other attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the exclusion of interest on obligations issued by states and political subdivisions from federal income taxation hired by the City to render an opinion on such matters with regard to the 2015 Note.

"Business Day" shall mean any day other than a Saturday, a Sunday, or a day on which the office of the Holder at which payments on the 2015 Note are due or the offices of the City are lawfully closed.

"City" shall mean the City of Groveland, Florida, a municipal corporation of the State of Florida.

"City Clerk" shall mean the City Clerk or any deputy or assistant city clerk of the City and such other person as may be duly authorized to act on his or her behalf.

"City Manager" shall mean the City Manager of the City and such other person as may be duly authorized to act on his or her behalf.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and the applicable rules and regulations promulgated thereunder.

"Debt Service" means principal and interest, and other debt-related costs, due in connection with the 2015 Note, as applicable.

"Default Rate" shall mean the lesser of 18% per annum or the highest rate of interest allowed by applicable law.

"Determination of Taxability" shall mean, with respect to the 2015 Note, any determination, decision or decree by the Commissioner or any District Director of the Internal Revenue Service, as such officers are identified by the Code, or any court of competent jurisdiction, or delivery of an opinion of Bond Counsel, that the interest payable under the 2015 Note is includable in the gross income (as defined in Section 61 of the Code) of the Holder.

"Event of Default" shall mean an Event of Default as defined in Section 5.01 of this Agreement.

"Finance Director" shall mean the City's Finance Director or such other person as may be duly authorized to act on his or her behalf.

"Financial Advisor" shall mean Larson Consulting Services, LLC or any other entity hired by the City to serve as its financial advisor.

"Fiscal Year" shall mean the 12-month period commencing October 1 of each year and ending on the succeeding September 30, or such other 12-month period as the City may designate as its "fiscal year" as permitted by law.

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

"Franchise Fees" shall mean (i) the fees collected by the Issuer from Lake Apopka Natural Gas District, pursuant to Ordinance No. 89-11-08 duly enacted by the Issuer on December 4, 1989 (ii) the fees collected by the Issuer from Sumter Electric Cooperative, Inc., pursuant to Ordinance No. 96-12-14 duly enacted by the Issuer on December 16, 1996, (iii) the fees collected by the Issuer from Florida Power Corporation a solely owned subsidiary of Duke Energy Corporation pursuant to Ordinance No. 96-1113 duly enacted by the Issuer on November 18, 1996, (iv) all fees collected from solid waste franchisees providing solid waste collection services within the City limits, and (v) any fees levied and collected pursuant to any extensions or renewals of the ordinances or agreements described or referred to in (i), (ii), (iii) and (iv) above.

"Franchise Fee Revenues" shall mean the revenues received by the Issuer as its Franchise Fees.

"Half-Cent Sales Tax Revenues" means any and all proceeds of the local government half-cent sales tax distributed to the City from the Local Government Half-Cent Sales Tax Clearing Trust Fund, as defined and described in Part VI, Chapter 218, Florida Statutes, as amended.

"Holder" shall mean the Bank as the initial holder of the 2015 Note and any subsequent registered holder of the 2015 Note.

"Loan" shall refer to an amount equal to the outstanding principal of the 2015 Note, together with unpaid interest and penalties, if any, which have accrued.

"Maturity Date" shall mean the date on which all principal and all unpaid interest accrued on the 2015 Note shall be due and payable in full, which date shall be, if not sooner due to prepayment, October 1, 2019.

"Payment Date" shall mean each April 1 and October 1, commencing October 1, 2015 until the 2015 Note has been paid in full.

"Pledged Revenues" shall mean collectively the Public Services Tax Revenues, the Half-Cent Sales Tax Revenues and the Franchise Fees Revenues.

"Public Services Tax" shall mean such tax as levied and collected by the City pursuant to the authority of Section 166.231, Florida Statutes.

"Public Services Tax Revenues" shall mean all revenues received by the Issuer from the levy of the Public Services Tax.

"Resolution" shall mean Resolution No. 2015-05-04, adopted at a meeting of the City Council on May 4, 2015, which, among other things, authorized the execution and delivery of this Agreement and the issuance of the 2015 Note.

"2015 Note" shall mean the City of Groveland, Florida Capital Improvement Revenue Refunding Note, Series 2015.

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

"2015 Note Rate" shall mean the rate of interest to be borne by the 2015 Note which shall be a fixed rate equal to 1.35% per annum calculated on the basis of a 360-day year of 12, 30-day months. The 2015 Note Rate is subject to adjustment as provided herein.

**Section 1.02. Interpretation.** Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

**Section 1.03. Titles and Headings.** The titles and headings of the Articles and Sections of this Agreement, which have been inserted for convenience of reference only and are not to be considered a part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES OF THE PARTIES

**Section 2.01. Representations and Warranties of City.** The City represents and warrants to the Bank as follows:

(a) Existence. The City is a municipal corporation of the State of Florida, duly created and validly existing under the laws of the State of Florida, with full power to enter into this Agreement, to perform its obligations hereunder and to issue and deliver the 2015 Note to the Bank. The making, execution and performance of this Agreement on the part of the City and the issuance and delivery of the 2015 Note has been duly authorized by all necessary action on the part of the City and will not violate or conflict with the Act, City Charter, or any agreement, indenture or other instrument by which the City or any of its material properties is bound.

(b) Validity, Etc. This Agreement, the 2015 Note and the Resolution are valid and binding obligations of the City enforceable against the City in accordance with their respective terms, except to the extent that enforceability may be subject to valid bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or from time to time affecting the enforcement of creditors' rights and except to the extent that the availability of certain remedies may be precluded by general principles of equity.

(c) No Financial Material Adverse Change. No material adverse change in the financial condition of the City or the Pledged Revenues has occurred since the audited financial statements of the City for its year ended September 30, 2013.

(d) Powers of City. The City has the legal power and authority to pledge the Pledged Revenues to the repayment of the 2015 Note as described herein and none of the Pledged Revenues are pledged to any other obligations of the City.

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

(e) Authorizations, etc. No authorization, consent, approval, license, exemption of or registration or filing with any court or governmental department, council, board, bureau, agency or instrumentality, domestic or foreign, has been or will be necessary for the valid execution, delivery and performance by the City of this Agreement, the 2015 Note and the related documents, except such as have been obtained, given or accomplished.

**Section 2.02. Covenants of the City.** The City covenants as follows:

At no costs to the Bank, the City will furnish to the Bank (i) within 30 days following presentation to the City Council, a comprehensive annual financial report of the City for such Fiscal Year prepared in accordance with generally accepted accounting standards, and an audit report of an independent certified public accountant or firm thereof, (ii) within 30 business days following the City Council's adoption, a copy of the City's annual budget, and (iii) any other financial information which the Bank may reasonably request.

**Section 2.03. Representations and Warranties of Bank.** The Bank represents and warrants to the City as follows:

(a) Existence. The Bank is a national banking association, authorized to do business in the State of Florida, with full power to enter into this Agreement, to perform its obligations hereunder and to make the Loan. The performance of this Agreement on the part of the Bank and the making of the Loan have been duly authorized by all necessary action on the part of the Bank and will not violate or conflict with applicable law or any material agreement, indenture or other instrument by which the Bank or any of its material properties is bound.

(b) Validity. This Agreement is a valid and binding obligation of the Bank enforceable against the Bank in accordance with its terms, except to the extent that enforceability may be subject to valid bankruptcy, insolvency, financial emergency, reorganization, moratorium or similar laws relating to or from time to time affecting the enforcement of creditors' rights (and specifically creditors' rights as the same relate to banks) and except to the extent that the availability of certain remedies may be precluded by general principles of equity.

(c) Knowledge and Experience. The Bank (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of making the Loan and purchasing in the 2015 Note, (ii) has received and reviewed such financial information concerning the Pledged Revenues as it has needed in order to fairly evaluate the merits and risks of making the Loan and purchasing in the 2015 Note; and (iii) is purchasing the 2015 Note as an investment for its own account and not with a current view toward resale to the public.

### ARTICLE III

#### THE 2015 NOTE

**Section 3.01. Purpose and Use.** On the date of this Agreement, the Bank shall fund to the City the Loan in the principal amount of Two Million One Hundred Seventy-Two Thousand and Seven Hundred Dollars (\$ 2,172,700.00). The Loan

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

will be evidenced by the 2015 Note. The proceeds of the 2015 Note shall be used solely to refund on the date hereof all of the Refunded Note and to pay costs of issuing the 2015 Note.

**Section 3.02. The 2015 Note.** The 2015 Note shall be substantially in the form set forth as **Exhibit A** to this Agreement. The general terms of the 2015 Note shall be as follows:

(a) Amount of 2015 Note. The aggregate principal amount of the 2015 Note shall be ~~Two~~ Million ~~One~~ Hundred ~~Seventy-Two~~ Thousand ~~and Seven Hundred~~ Dollars (\$ ~~2,172,700.00~~).

(b) Interest. The 2015 Note shall bear interest at the 2015 Note Rate payable on each Payment Date. The 2015 Note Rate shall be subject to adjustment as provided in Section 3.03 hereof. The Holder shall promptly notify the City in writing of any adjustments in a 2015 Note Rate. Notwithstanding any provision hereof the contrary, in no event shall the interest rate on the 2015 Note exceed the maximum rate permitted by law. Interest on the 2015 Note shall be computed on the basis of 12, 30-day months and a 360-day year.

(c) Prepayments and Principal Payments. The 2015 Note shall be subject to prepayment at the option of the City, without any prepayment penalty or fee as provided in the 2015 Note on any Payment Date. Any prepayment shall be made on such date as shall be specified by the City in a written notice delivered to the Holder not less than ten (10) days prior to the specified prepayment date. Any prepayment shall be applied first to accrued interest, then to other amounts owed the Holder, and finally to principal in inverse order of maturity.

Principal on the 2015 Note is payable on each Payment Date commencing October 1, 2015 as set forth in the 2015 Note.

**Section 3.03. Adjustments to 2015 Note Rate.** The 2015 Note Rate shall be subject to adjustment by the Bank as hereinafter described and as provided in the 2015 Note.

In the event of a Determination of Taxability, the 2015 Note Rate shall be adjusted to cause the yield on such 2015 Note to equal what the yield on that 2015 Note would have been absent such Determination of Taxability (the "Taxable Rate") effective retroactively to the effective date of such Determination of Taxability. Within thirty (30) days of a Determination of Taxability, the City agrees to pay to the Holder subject to such Determination of Taxability the Additional Amount (as defined herein). "Additional Amount" means (i) the difference between (a) interest on such 2015 Note for the period commencing on the date on which the interest on such 2015 Note (or portion thereof) loses its "tax-exempt" status and ending on the earlier of the date such 2015 Note ceased to be outstanding or such adjustment is no longer applicable to such 2015 Note (the "Taxable Period") at a rate equal to the Taxable Rate and (b) the aggregate amount of interest payable on such 2015 Note for the Taxable Period under the provisions of such 2015 Note without considering the Determination of Taxability that has been paid to the Holder, plus (ii) any penalties and interest paid or payable by such Holder to the Internal Revenue Service by reason of such Determination of Taxability.



COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

If the 2015 Note ceases to be a "qualified tax-exempt obligation" then the 2015 Note Rate shall be adjusted to cause the yield on the 2015 Note to equal what the yield on the 2015 Note would have been in the absence of such change.

The Holder shall promptly notify the City in writing of any adjustments pursuant hereto. Such adjustments shall become effective as of the effective date of the event causing such adjustment. Adjustments pursuant hereto may be retroactive. The Holder shall certify to the City in writing the additional amount, if any, due to the Holder as a result of an adjustment pursuant hereto, which certification shall be conclusive absent manifest error. Notwithstanding any provision here to the contrary, in no event shall the interest rate on the 2015 Note exceed the maximum rate permitted by law.

**Section 3.04. Conditions Precedent to Issuance of 2015 Note.** Prior to or simultaneously with the delivery of the 2015 Note, there shall be filed with the Bank the following, each in form and substance reasonably acceptable to the Bank:

(a) an opinion of legal counsel to the City substantially to the effect that (i) the Resolution has been duly adopted and this Agreement and the 2015 Note have been duly authorized, executed and delivered by the City and each constitutes a valid, binding and enforceable agreement of the City in accordance with their respective terms, except to the extent that the enforceability of the rights and remedies set forth therein may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights generally or by usual equity principles; (ii) the City's execution, delivery and performance of this Agreement and execution and issuance of the 2015 Note are not subject to any authorization, consent, approval or review of any governmental body, public officer or regulatory authority not heretofore obtained or effected; (iii) the execution, issuance and delivery of the 2015 Note has been duly and validly authorized by the City, and the 2015 Note constitutes a valid and binding special obligation of the City enforceable in accordance with its terms; (iv) the City (A) is a municipal corporation duly organized and validly existing under the laws of the State of Florida, and (B) has power and authority to adopt the Resolution, to execute and deliver this Agreement, to execute and deliver the 2015 Note, and to consummate the transactions contemplated by such instruments; (v) the execution, delivery and performance of the 2015 Note and this Agreement, and compliance with the terms thereof and hereof, under the circumstances contemplated hereby, do not and will not in any material respect conflict with, or constitute on the part of the City a breach or default under, any indenture, mortgage, deed of trust, agreement or other instrument to which the City or to which its properties are subject or conflict with, violate or result in a breach of any existing law, administrative rule or regulation, judgment, court order or consent decree to which the City or its properties are subject; (vi) there is no claim, action, suit, proceeding, inquiry, investigation, litigation or other proceeding, at law or in equity, pending or to the best of such counsel's knowledge, threatened, in any court or other tribunal, state or federal (A) restraining or enjoining, or seeking to restrain or enjoin, the issuance, sale, execution or delivery of the 2015 Note, (B) in any way questioning or affecting the validity or enforceability of any provision of this Agreement, the 2015 Note or the Resolution, (C) in any way questioning or affecting the validity of any of the proceedings or authority for the authorization, sale, execution or delivery of the 2015 Note, or of any provision made or authorized for the payment thereof, or (D) questioning or affecting the organization or existence of the City or the right of any of its officers to their respective offices; (vii) the City has the legal authority to refund the Refunded Note, to

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

grant a lien on the Pledged Revenues as described herein and in the Resolution; and (viii) all conditions contained in the ordinances and resolutions of the City precedent to the issuance of the 2015 Note have been complied with;

(b) an opinion of Bond Counsel (who may rely on opinion of legal counsel to the City), substantially to such effect that such counsel is of the opinion that: (i) this Loan Agreement constitutes a valid and binding obligation of the City enforceable upon the City in accordance with its terms; (ii) the 2015 Note is a valid and binding special obligation of the City enforceable in accordance with its terms, payable solely from the sources provided therefor in this Loan Agreement; (iii) assuming compliance by the City with certain covenants relating to requirements contained in the Code interest on the 2015 Note is excluded from gross income for purposes of federal income taxation; and (iv) the 2015 Note is a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code;

(c) a copy of a completed and executed Form 8038-G to be filed with the Internal Revenue Service by the City; and

(d) the original executed 2015 Note and Agreement.

When the documents and items mentioned in clauses (a) through (d), inclusive, of this Section shall have been filed with the Bank, and when the 2015 Note shall have been executed as required by this Agreement, the City shall deliver the 2015 Note to or upon the order of the Bank upon receipt of the purchase price therefor.

**Section 3.05. Registration of Transfer; Assignment of Rights of Bank.** The City as the registrar shall keep at the office of the Finance Director or such other officer or officers of the City as the City shall inform the Holder in the City's records the registration of the 2015 Note and the registration of transfers of the 2015 Note as provided in this Agreement. The transfer of the 2015 Note may be registered only upon the books kept for the registration of the 2015 Note and registration of transfer thereof upon surrender thereof to the City as registrar together with an assignment duly executed by the Holder or its attorney or legal representative in the form of the assignment set forth on the form of the 2015 Note attached as **Exhibit A** to this Agreement; provided, however, that such 2015 Note may be transferred only in whole and not in part. In the case of any such registration of transfer, the City shall execute and deliver in exchange for the 2015 Note a new 2015 Note registered in the name of the transferee. In all cases in which a 2015 Note shall be transferred hereunder, the City shall execute and deliver at the earliest practicable time a new 2015 Note in accordance with the provisions of this Agreement. The City may make a charge for every such registration of transfer of a 2015 Note sufficient to reimburse it for any tax or other governmental charges required to be paid with respect to such registration of transfer, but no other charge shall be made for registering the transfer hereinabove granted. The 2015 Note shall be issued in fully registered form and shall be payable in any lawful coin or currency of the United States.

The registration of transfer of a 2015 Note on the registration books of the City shall be deemed to effect a transfer of the rights and obligations of the Bank under this Agreement to the transferee. Thereafter, such transferee shall be deemed to be the Bank under this Agreement and

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

shall be bound by all provisions of this Agreement that are binding upon the Bank. The City and the transferor shall execute and record such instruments and take such other actions as the City and such transferee may reasonably request in order to confirm that such transferee has succeeded to the capacity of Bank under this Agreement and the 2015 Note.

No transfer shall be permitted absent the City's receipt of a certificate in form and substance similar to the one included as part of **Exhibit A** hereto from such proposed transferee. Every prior Holder of a 2015 Note shall be deemed to have waived and renounced all of such owner's equities or rights therein in favor of every bona fide purchaser, and every such bona fide purchaser shall acquire absolute title thereto and to all rights represented thereby.

In the event any 2015 Note is mutilated, lost, stolen, or destroyed, the City shall execute a new 2015 Note of like date and denomination as that mutilated, lost, stolen or destroyed, provided that, in the case of any mutilated 2015 Note, such mutilated 2015 Note shall first be surrendered to the City, and in the case of any lost, stolen, or destroyed 2015 Note, there first shall be furnished to the City evidence of such loss, theft or destruction together with an indemnity satisfactory to it.

**Section 3.06. Ownership of the 2015 Note.** The person in whose name a 2015 Note is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of a 2015 Note shall be made only to the Holder thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the 2015 Note, and interest thereon, to the extent of the sum or sums so paid.

**Section 3.07. Use of Proceeds of 2015 Note Permitted Under Applicable Law.** The City represents, warrants and covenants that the proceeds of the 2015 Note will be used as provided in Section 3.01 hereof, and that such use is permitted by applicable law.

**Section 3.08. Authentication.** Until a 2015 Note shall have endorsed thereon a certificate of authentication substantially in the form set forth in Exhibit A, duly executed by the manual signature of the City Clerk as authenticating agent, it shall not be entitled to any benefit or security under this Loan Agreement. A 2015 Note shall not be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the registrar, and such certificate of the registrar upon a 2015 Note shall be conclusive evidence that such 2015 Note has been duly authenticated and delivered under this Loan Agreement.

## ARTICLE IV

### COVENANTS OF THE CITY

**Section 4.01. Performance of Covenants.** The City covenants that it will perform faithfully at all times its covenants, undertakings and agreements contained in this Agreement and the 2015 Note and in any proceedings of the City relating to the Loan provided that any payments due hereunder shall be paid solely from Pledged Revenues.

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

#### **Section 4.02. Payment of 2015 Note.**

(a) The City does hereby irrevocably pledge the Pledged Revenues as security for the repayment of the 2015 Note.

(b) The 2015 Note is a special obligation of the City secured solely by the Pledged Revenues and payable from the Pledged Revenues as provided in this Agreement. The 2015 Note will not constitute a general debt, liability or obligation of the City or the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation. Neither the faith and credit nor the taxing power of the City or of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or interest on the 2015 Note and the Holder shall never have the right to compel any exercise of any ad valorem taxing power of the City or of the State of Florida or any political subdivision thereof, directly or indirectly to enforce such payment. The 2015 Note shall not constitute a lien upon any property of the City except upon the Pledged Revenues.

**Section 4.03. Tax Covenant.** The City covenants to the Holder that the City will not make any use of the proceeds of the 2015 Note at any time during the term of such Note which, if such use had been reasonably expected on the date the 2015 Note was issued, would have caused such Note to be an "arbitrage bond" within the meaning of the Code. The City will do all acts including complying with the requirements of the Code and any valid and applicable rules and regulations promulgated thereunder necessary to insure the exclusion of interest on the 2015 Note from the gross income of the Holders thereof for purposes of federal income taxation.

**Section 4.04. Compliance with Laws and Regulations.** The City shall maintain compliance with all federal, state and local laws and regulations applicable to the pledging of the Pledged Revenues and the Loan.

**Section 4.05. Additional Debt.** As long as the 2015 Note is outstanding, the City shall not issue any debt payable from any of the Pledged Revenues on a parity with the 2015 Note unless there shall have been obtained and filed with the City and the Holder of the 2015 Note a certificate of the City's Finance Director (i) setting forth the amount of Pledged Revenues for the Fiscal Year immediately preceding the issuance of such additional debt; (ii) stating that such Pledged Revenues equal at least 1.50 times the maximum debt service for all outstanding debt secured by and payable from a first lien on such Pledged Revenues and such additional proposed debt; and (iii) stating either that no Event of Default has occurred or if such Event of Default has occurred that it shall have been cured. For purposes of such calculation if the interest rate on the proposed additional debt will be a variable interest rate, the rate for purposes hereof shall be calculated at the initial rate.

## **ARTICLE V**

### **EVENTS OF DEFAULT AND REMEDIES**

**Section 5.01. Events Of Default.** The following events shall each constitute an "Event of Default:"

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

(a) The City defaults in the payment of the principal of or interest on the 2015 Note when due.

(b) There shall occur the dissolution or liquidation of the City, or the filing by the City of a voluntary petition in bankruptcy, or the commission by the City of any act of bankruptcy, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of its creditors, or appointment of a receiver for the City, or the entry by the City into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(c) The City shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the 2015 Note or in this Agreement on the part of the City to be performed, and such default shall continue for a period of thirty days after written notice of such default shall have been received from the Holders of the 2015 Note. Notwithstanding the foregoing, the City shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the City in good faith institutes curative action and diligently pursues such action until the default has been corrected.

The City shall notify the Holder of any Event of Default within 2 days of discovery thereof.

**Section 5.02. Remedies.** A Holder of the 2015 Note or any trustee or receiver acting for such Holder may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted and contained in this Agreement, and may enforce and compel the performance of all duties required by this Agreement or by any applicable statutes to be performed by the City or by any officer thereof. Only if any debt payable from the Pledged Revenues on parity with the 2015 Note is accelerated shall the Holder have the right to declare the 2015 Note immediately due and payable. The City shall pay the Holder the reasonable fees and costs incurred by the Holder and its agents in pursuing such remedies.

**Section 5.03. Remedies Cumulative.** No remedy herein conferred upon or reserved to the Holder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

## ARTICLE VI

### MISCELLANEOUS PROVISIONS

**Section 6.01. Covenants of City, Etc.; Successors.** All of the covenants, stipulations, obligations and agreements contained in this Agreement shall be deemed to be covenants, stipulations, obligations and agreements of the City to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time, and upon any officer, board, council, authority,

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

**Section 6.02. Term of Agreement.** This Agreement shall be in full force and effect from the date hereof until the 2015 Note and all other sums payable to the Holder hereunder have been paid in full.

**Section 6.03. Amendments and Supplements.** This Agreement may be amended or supplemented from time to time only by a writing duly executed by each of the City and the Holders.

**Section 6.04. Notices.** Any notice, demand, direction, request or other instrument authorized or required by this Agreement to be given to or filed with the City or the Bank, shall be deemed to have been sufficiently given or filed for all purposes of this Agreement if and when sent by certified mail, return receipt requested:

(a) As to the City:

City of Groveland, Florida  
156 South Lake Avenue  
Groveland, Florida 34736  
Attention: City Manager

(b) With a copy to:

Law Office of Anita Geraci-Carver P.A.  
1560 Bloxam Avenue  
Clermont, Florida 34711

(c) As to the Bank:

CenterState Bank of Florida, N.A.  
6430 Gall Blvd.  
Zephyrhills, FL 33542  
Attention: Skip Skairus

or at such other address as shall be furnished in writing by any such party to the other, and shall be deemed to have been given as of the date so delivered or deposited in the United States mail.

Either party may, by notice sent to the other, designate a different or additional address to which notices under this Agreement are to be sent.

**Section 6.05. Benefits Exclusive.** Except as herein otherwise provided, nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation, other than the City and the 2014 Holder, any right, remedy or claim, legal or equitable, under or by reason of this Agreement or any provision hereof, this Agreement and all of

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

its provisions being intended to be and being for the sole and exclusive benefit of the City and the 2014 Holder.

**Section 6.06. Severability.** In case any one or more of the provisions of this Agreement, any amendment or supplement hereto or of the 2015 Note shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement, any amendment or supplement hereto or the 2015 Note, but this Agreement, any amendment or supplement hereto and the 2015 Note shall be construed and enforced at the time as if such illegal or invalid provisions had not been contained therein, nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof from time to time. In case any covenant, stipulation, obligation or agreement contained in the 2015 Note or in this Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation, or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the City to the full extent from time to time permitted by law.

**Section 6.07. Payments Due on Saturdays, Sundays and Holidays.** In any case where the date of maturity of interest on or principal of the 2015 Note or the date fixed for prepayment of the 2015 Note shall be other than a Business Day, then payment of such interest or principal shall be made on the next succeeding Business Day with the same force and effect as if paid on the date of maturity or the date fixed for prepayment, and no interest on any such principal amount shall accrue for the period after such date of maturity or such date fixed for prepayment.

**Section 6.08. Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Agreement, and, in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

**Section 6.09. Applicable Law.** This Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of Florida.

**Section 6.10. No Personal Liability.** Notwithstanding anything to the contrary contained herein or in the 2015 Note, or in any other instrument or document executed by or on behalf of the City in connection herewith, no stipulation, covenant, agreement or obligation of any present or future member of the City Council, officer, employee or agent of the City, officer, employee or agent of a successor to the City, in any such person's individual capacity, shall cause such person to be liable personally for any breach or non-observance of or for any failure to perform, fulfill or comply with any such stipulations, covenants, agreements or obligations, nor shall any recourse be had for the payment of the principal of or interest on the 2015 Note or for any claim based thereon or on any such stipulation, covenant, agreement or obligation, against any such person, in his or her individual capacity, either directly or through the City or any successor to the City, under any rule or law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise and all such liability of any such person, in his or her individual capacity, is hereby expressly waived and released.

**Section 6.11. Incorporation by Reference.** All of the terms and obligations of the Resolution are hereby incorporated herein by reference as if all of the foregoing were fully set

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

forth in this Agreement. All recitals appearing at the beginning of this Agreement are hereby incorporated herein by reference.

**Section 6.12. Waiver of Jury Trial.** THE BANK AND THE CITY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THE RESOLUTION, THIS AGREEMENT, THE 2015 Note OR ANY OTHER AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF EITHER PARTY.



COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

*[Signature Page for LOAN AGREEMENT  
dated as of May 6, 2015 between  
the City of Groveland, FL and CenterState Bank of Florida, N.A.]*

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed as of the date first set forth herein.

**CITY OF GROVELAND, FLORIDA**

**ATTEST:**

By: \_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

**CENTERSTATE BANK OF FLORIDA,  
N.A.**

By: \_\_\_\_\_  
Skip Skairus  
Title: Senior Vice President/  
Commercial Banking Manager

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

## EXHIBIT A

### FORM OF NOTE

PRIOR TO BECOMING A HOLDER, A PROPOSED PURCHASER SHALL EXECUTE A PURCHASER'S CERTIFICATE IN THE FORM ATTACHED HERETO CERTIFYING, AMONG OTHER THINGS, THAT SUCH HOLDER IS AN "ACCREDITED INVESTOR" AS SUCH TERM IS DEFINED IN THE SECURITIES ACT OF 1933, AS AMENDED, AND REGULATION D THEREUNDER.

### CITY OF GROVELAND, FLORIDA CAPITAL IMPROVEMENT REVENUE REFUNDING NOTE, SERIES 2015

<u>Principal Sum</u>	<u>Maturity Date</u>	<u>Note Rate</u>	<u>Date of Issuance</u>
\$ <del>2,1</del> <u>72,700</u>	October 1, 2019	1.35%	May 6, 2015

The CITY OF GROVELAND, FLORIDA (the "City"), for value received, hereby promises to pay, solely from the sources described in the within mentioned Agreement, to the order of CENTERSTATE BANK OF FLORIDA, N.A., a national banking association, or its assigns (the "Holder"), the Principal Sum, such principal to be paid in installments on each April 1 and October 1 in the amounts set forth on **Exhibit "A"** hereto, with all unpaid principal and interest due in full on the above referenced Maturity Date, and to pay interest on the outstanding principal amount hereof from the most recent date to which interest has been paid or provided for, or if no interest has been paid, from the Date of Issuance shown above, on April 1 and October 1 of each year (each, a "Payment Date"), commencing on October 1, 2015, until payment of said principal sum has been made or provided for, at the above referenced Note Rate calculated on the basis of 12, 30-day months and a 360-day year. Payments due hereunder shall be payable in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, which payments shall be made to the Holder hereof by check mailed to the Holder at the address designated in writing by the Holder for purposes of payment or by bank wire or bank transfer as such Holder may specify in writing to the City or otherwise as the City and the Holder may agree.

The 2015 Note Rate may be adjusted in accordance with Section 3.03 of that certain Loan Agreement by and between the Holder and the City, dated as of May 6, 2015 (the "Agreement"). Such adjustments may be retroactive.

This 2015 Note is issued for the purpose of providing the City funds to retire on the date of issuance all of the City's outstanding Capital Improvement Revenue Refunding Note, Series 2012A under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 166, Florida Statutes, Chapter 218, Part VI, Florida Statutes and other applicable provisions of law, and Resolution No. 2015-05-04, adopted by the City Council (the "Council") on May 4, 2015, and the Agreement.

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

This 2015 Note is a limited, special obligation of the City, payable from and secured solely by a lien upon and pledge of the Pledged Revenues, as defined and described and in the manner provided in the Agreement.

All capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

This 2015 Note may be prepaid by the City in whole or in part, on any Payment Date as provided in the Agreement from any legally available monies at a prepayment price of 100% of the principal amount to be redeemed without any prepayment penalty or fee, plus accrued interest to the prepayment date.

Notice having been given as provided in the Agreement, the principal amount to be prepaid shall become due and payable on the prepayment date stated in such notice, together with interest accrued and unpaid to the prepayment date on such principal amount; and the amount of principal and interest then due and payable shall be paid upon presentation and surrender and exchange (if prepayment is part) of this 2015 Note to the office of the Registrar. If, on the prepayment date, funds for the payment of the principal amount, together with interest to the prepayment date on such principal amount, shall have been given to the Holder, as above provided, then from and after the prepayment date interest on such principal amount of this 2015 Note shall cease to accrue.

Notwithstanding any provision in this 2015 Note to the contrary, in no event shall the interest contracted for, charged or received in connection with this 2015 Note (including any other costs or considerations that constitute interest under the laws of the State of Florida which are contracted for, charged or received) exceed the maximum rate of nonusurious interest allowed under the State of Florida as presently in effect and to the extent an increase is allowable by such laws, but in no event shall any amount ever be paid or payable by the City greater than the amount contracted for herein. In the event the maturity of this 2015 Note is prepaid in accordance with the provisions hereof, the Agreement or the Resolution, then such amounts that constitute payments of interest, together with any costs or considerations which constitute interest under the laws of the State of Florida, may never exceed an amount which would result in payment of interest at a rate in excess of that permitted by Section 215.84(3), Florida Statutes, as presently in effect and to the extent an increase is allowable by such laws; and excess interest, if any, shall be cancelled automatically as of the date of such prepayment, or, if theretofore paid, shall be credited on the principal amount of this 2015 Note unpaid, but such crediting shall not cure or waive any default under the Agreement or Resolution.

THIS 2015 Note SHALL NOT BE OR CONSTITUTE AN INDEBTEDNESS OF THE CITY OR THE STATE OF FLORIDA (THE "STATE"), WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER LIMITATIONS OF INDEBTEDNESS, BUT SHALL BE PAYABLE SOLELY FROM THE PLEDGED REVENUES, AS PROVIDED IN THE AGREEMENT AND THE RESOLUTION. THE HOLDER SHALL NEVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY, OR TAXATION IN ANY FORM OF ANY PROPERTY THEREIN TO PAY THIS 2015 Note OR THE INTEREST HEREON.

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

Upon the occurrence of an Event of Default the Holder of the 2015 Note shall also have such remedies as described in the Agreement.

The City hereby waives presentment, demand, protest and notice of dishonor. This 2015 Note is governed and controlled by the Agreement and reference is hereby made thereto regarding interest rate adjustments and other matters.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

IN WITNESS WHEREOF, the City has caused this 2015 Note to be signed by its Mayor by his manual signature, and the seal of the City to be affixed hereto or imprinted or reproduced hereon, and attested by a City Clerk of the City manually, and this 2015 Note to be dated the Date of Issuance set forth above.

**CITY OF GROVELAND, FLORIDA**

[SEAL]

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
City Clerk

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

FORM OF CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This 2015 Note is being delivered pursuant to the within mentioned Agreement.

**CITY OF GROVELAND, FLORIDA,**  
as Authenticating Agent

By: \_\_\_\_\_  
City Clerk

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

### ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto \_\_\_\_\_ (please print or typewrite name, address and tax identification number of assignee) \_\_\_\_\_ the within 2015 Note and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ Attorney to transfer the within 2015 Note on the books kept for registration thereof, with full power of substitution in the premises.

Name of Holder: \_\_\_\_\_

By: \_\_\_\_\_

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

## EXHIBIT A

### NOTE - PRINCIPAL REPAYMENT SCHEDULE

<u>Date</u>	<u>Amount</u>
October 1, 2015	\$ _____
April 1, 2016	
October 1, 2016	
April 1, 2017	
October 1, 2017	
April 1, 2018	
October 1, 2018	
April 1, 2019	
October 1, 2019	



COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

## PURCHASER'S CERTIFICATE

City of Groveland, Florida (the "City")

Ladies and Gentlemen:

The undersigned, as a purchaser of the City of Groveland, Florida Capital Improvement Revenue Refunding Note, Series 2015 (the "2015 Note") dated May 6, 2015, consisting of one typewritten Note, hereby certifies that we have been provided (a) a copy of City of Groveland Resolution No. 2015-05-04, adopted by the City on May 6, 2015, authorizing the issuance of the 2015 Note (the "Resolution"), (b) the Loan Agreement dated as of May 6, 2015, between the City and us as assignee (the "Agreement") and (c) such financial and general information respecting the Pledged Revenues (as such term is defined in the Agreement) and the City, and the 2015 Note described above as we deem necessary to enable us to make an informed investment judgment with respect to the purchase of said 2015 Note.

We hereby make the following representations, which representations may be relied upon by the City:

- A. We are aware:
  - (i) that investment in the 2015 Note involves various risks;
  - (ii) that the 2015 Note is not a general obligation of the City; and
  - (iii) that the principal or premium, if any, and interest on the 2015 Note is payable solely from the Pledged Revenues as specified in the Resolution and the Agreement.
- B. We understand that no official statement, offering memorandum or other form of offering document was prepared or is being used in connection with the offering or sale of the 2015 Note (collectively, "Disclosure Documents"), but we have been afforded access to all information we have requested in making our decision to purchase the 2015 Note and have had sufficient opportunity to discuss the business of the City with its officers, employees and others. We have not requested any Disclosure Documents in connection with the sale of the 2015 Note. We do not require any further information or data incident to our purchase of the 2015 Note.
- C. In purchasing the 2015 Note, we have relied solely upon our own investigation, examination, and evaluation of the City, the Pledged Revenues and other relevant matters.

COMPARISON INFORMATION		
[REDLINE: 30871183;2 v. 30871183;3]		04/29/2015 @ 8:52 AM

- D. We have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of our investment in the 2015 Note and have determined that we can bear the economic risk of our investment in the 2015 Note.
- E. We acknowledge the understanding that the 2015 Note is not registered under the Securities Act of 1933, as amended (the "1933 Act") or Chapter 517, Florida Statutes, and that the Resolution and Agreement are not qualified under the Trust Indenture Act of 1939, as amended, and that the City has no obligation to effect any such registration or qualification.
- F. We are not acting as a bond house, broker or other intermediary, in our purchase of the 2015 Note. Although we retain the right to transfer the 2015 Note in the future, we understand that the 2015 Note may not be readily tradable.
- G. We have received all documents requested by us incident to our purchase of the 2015 Note.
- H. We acknowledge that we are an "accredited investor" within the meaning of Chapter 517, Florida Statutes and Regulation D of the 1933 Act.

Signed as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[ ]

By: \_\_\_\_\_  
Authorized Officer



## REQUEST FOR CITY COUNCIL CONSIDERATION

<b>MEETING DATE:</b> May 4, 2015
----------------------------------

<b>AGENDA ITEM:</b>	<b>Resolution 2015-05-04: Bank Loan Refinance</b>
---------------------	---

<b>CITY GOAL:</b>	Establish a sound and sustainable government supported by professionalism, progressive thinking and modernizing the organization.
-------------------	---

<b>PREPARED BY:</b>	Gwen Walker, Finance Director
---------------------	-------------------------------

<b>DATE:</b>	April 28, 2015
--------------	----------------

### BACKGROUND:

Adoption of this resolution is necessary to complete the refinancing of the 2012A Note. CenterState Bank has been awarded the RFP for the refinance.

<b>STAFF RECOMMENDATION:</b> Adopt Resolution 2015-05-04
--

<b>REVIEWED BY CITY MANAGER:</b>
----------------------------------

<b>COUNCIL ACTION:</b>
------------------------

<b>MOTION BY:</b>
-------------------

<b>SECOND BY:</b>
-------------------

*"The city with a future, watch us grow!"*

**RESOLUTION NO. 2015-05-04**

**A RESOLUTION OF THE CITY OF GROVELAND, FLORIDA ACCEPTING THE PROPOSAL OF CENTERSTATE BANK OF FLORIDA, N.A. TO PURCHASE THE CITY'S NOT TO EXCEED \$2,500,000 CAPITAL IMPROVEMENT REVENUE REFUNDING NOTE, SERIES 2015 TO CURRENTLY REFUND ALL OF THE OUTSTANDING CITY OF GROVELAND, FLORIDA CAPITAL IMPROVEMENT REVENUE REFUNDING NOTE, SERIES 2012A; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH SAID BANK TO SECURE THE REPAYMENT OF THE NOTE; PROVIDING FOR THE PAYMENT OF THE NOTE FROM HALF-CENT SALES TAX REVENUES, FRANCHISE FEE REVENUES AND PUBLIC SERVICES TAX REVENUES, ALL AS PROVIDED IN THE LOAN AGREEMENT; AUTHORIZING THE PROPER OFFICIALS OF THE CITY TO DO ANY OTHER ADDITIONAL THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE EXECUTION OF THE LOAN AGREEMENT, THE NOTE, AND THE SECURITY THEREFOR; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS IN CONNECTION WITH THE NOTE; DESIGNATING THE NOTE AS "BANK QUALIFIED;" PROVIDING FOR SEVERABILITY AND OTHER MATTERS IN REGARD THERETO; AND PROVIDING AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GROVELAND, FLORIDA, AS FOLLOWS:**

**SECTION 1. AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the provisions of Chapter 166, Florida Statutes, Chapter 218, Part VI, Florida Statutes, the Florida Constitution and other applicable provisions of law.

**SECTION 2. FINDINGS.** It is hereby ascertained, determined and declared:

(A) The City of Groveland, Florida (the "City") deems it necessary, desirable and in the best interests of the City that the City issue its Capital Improvement Revenue Refunding Note, Series 2015 (the "2015 Note") to currently refund all of the City's outstanding Capital Improvement Revenue Refunding Note, Series 2012A (the "Refunded Note"), all as more particularly described in the Loan Agreement (as defined herein).

(B) Pursuant to Section 2(b), Article VIII of the Florida Constitution, and Section 166.021, Florida Statutes, municipalities have the governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions, and render municipal services, and may exercise any power for municipal purposes, except when expressly prohibited by law. The issuance by the City the 2015 Note to refund the Refunded Note and the execution and delivery of the Loan Agreement to secure the 2015 Note is not prohibited by law.

(C) The City pursuant to the Loan Agreement will pledge to the payment of the 2015 Note the Half-Cent Sales Tax Revenues, Franchise Fee Revenues and Public Services

Tax Revenues (collectively, the "Pledged Revenues"), all as more particularly described herein and in the Loan Agreement.

(D) Based on the present volatility of the market for municipal debt, the City Council hereby determines, based on the advice of the City's financial advisor, Larson Consulting Services, LLC and City staff, that it is in the best interest of the City to issue the 2015 Note pursuant to the Loan Agreement by negotiated sale, allowing the City to issue the 2015 Note at the most advantageous time allowing the City to obtain the best interest rate and other terms for the 2015 Note, and accordingly, the City Council of the City hereby finds and determines that it is in the best financial interest of the City that a negotiated sale of the 2015 Note to CenterState Bank of Florida, N.A. (the "Bank") be authorized.

**SECTION 3. AUTHORIZATION OF ISSUANCE OF 2015 NOTE AND REFUNDING OF REFUNDED NOTE.** The City hereby authorizes issuance of the 2015 Note to currently refund the Refunded Note as more particularly described in the Loan Agreement. The City hereby authorizes issuance of the 2015 Note in a principal amount not to exceed \$2.5 million to currently refund the Refunded Note and pay costs of issuing the 2015 Note as more particularly described in the Loan Agreement.

**SECTION 4. ACCEPTANCE OF TERMS AND CONDITIONS WITH BANK.** Based on a recommendation from the City's financial advisor and in consultation with the City staff, the City hereby accepts Option 1 in the letter of the Bank dated April 8, 2015 attached hereto to provide the City with the loan evidenced by the 2015 Note.

**SECTION 5. APPROVAL OF FORM OF AND AUTHORIZATION OF LOAN AGREEMENT AND 2015 NOTE AND EXECUTION OF LOAN AGREEMENT AND 2015 NOTE.** The repayment of the loan as evidenced by the 2015 Note shall be pursuant to the terms and provisions of the Loan Agreement and the 2015 Note. The City hereby approves the Loan Agreement by and between the City and the Bank in substantially the form attached hereto (the "Loan Agreement") and the 2015 Note in substantially the form attached to the Loan Agreement and authorizes the Mayor or the Vice Mayor of the City (collectively, the "Mayor") and the City Clerk or any deputy or assistant City Clerk of the City (collectively, the "City Clerk") to execute and deliver on behalf of the City the Loan Agreement and the 2015 Note, with such changes, insertions and additions as they may approve, their execution thereof being conclusive evidence of such approval.

**SECTION 6. PAYMENT OF DEBT SERVICE ON 2015 NOTE.** Pursuant to the Loan Agreement, the 2015 Note will be secured by the Pledged Revenues, all as more particularly described in the Loan Agreement.

**SECTION 7. AUTHORIZATION OF OTHER DOCUMENTS TO EFFECT TRANSACTION.** To the extent that other documents including but not limited to notices, certificates, opinions, or other items are needed to effect any of the transactions referenced in this Resolution, the Loan Agreement, the 2015 Note, and the security therefore, the Mayor, the City Clerk, the City Manager, the City's Finance Director, the City Attorney and Bond Counsel (as defined in the Loan Agreement) are hereby authorized to execute and deliver such documents, certificates, opinions, or other items and to take such other actions as are necessary for the full,

punctual, and complete performance of the covenants, agreements, provisions, and other terms as are contained herein and in the documents referenced herein.

**SECTION 8. PAYING AGENT AND REGISTRAR.** The City hereby accepts the duties to serve as registrar and paying agent for the 2015 Note.

**SECTION 9. LIMITED OBLIGATION.** The obligation of the City to repay amounts under the Loan Agreement and the 2015 Note are limited and special obligations, payable solely from the sources and in the manner set forth in the Loan Agreement and shall not be deemed a pledge of the faith and credit or taxing power of the City.

**SECTION 10. DESIGNATION OF 2015 NOTE AS BANK QUALIFIED.** The City hereby designates the 2015 Note as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The City does not reasonably anticipate that the City, any subordinate entities of the City, and issuers of debt that issue "on behalf" of the City, will during the calendar year 2015 issue more than \$10,000,000 of "tax-exempt" obligations, exclusive of those obligations described in Section 265(b)(3)(C)(ii) of the Code.

**SECTION 11. REPEAL OF INCONSISTENT RESOLUTIONS AND ACTIONS.** All resolutions or actions of the City in conflict herewith are hereby superseded and repealed to the extent of such conflict.

**SECTION 12. EFFECT OF PARTIAL INVALIDITY.** If any one or more provisions of this Resolution, the Loan Agreement, or the 2015 Note shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, the 2015 Note or the Loan Agreement, but this Resolution, the Loan Agreement, and the 2015 Note shall be construed and enforced as if such illegal or invalid provision had not been contained therein. The 2015 Note shall be issued and Loan Agreement shall be executed and this Resolution is adopted with the intent that the laws of the State of Florida shall govern their construction.

**SECTION 13. EFFECTIVE DATE.** This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** this 4<sup>th</sup> day of May, 2015.

[SEAL]

**CITY OF GROVELAND, FLORIDA**

By: \_\_\_\_\_  
Mayor

ATTEST:

By \_\_\_\_\_  
City Clerk



## REQUEST FOR CITY COUNCIL CONSIDERATION

<b>MEETING DATE:</b> May 4, 2015
----------------------------------

<b>AGENDA ITEM:</b> Ordinance 2015-05-06: Economic Development Business Incentives
--

<b>CITY GOAL:</b> Establish a sound and sustainable government supported by professionalism, progressive thinking and modernizing the organization.
---

<b>PREPARED BY:</b> Anita Geraci-Carver, City Attorney
--

<b>DATE:</b> April 15, 2015
-----------------------------

**BACKGROUND:** In March Council adopted Resolution 2015-03-02 implementing economic incentives available to applicants, subject to approval and available funds, thru September 30, 2015. Staff recommends Council adopt the economic incentives in the form of an ordinance and create a new chapter in its Code of Ordinances; thereby repealing Resolution 2015-03-02. It is further recommended Council continue, as it has done annually, to discuss allocation of funds for this purpose each year during its budget process. Funding is subject to appropriation by the Council and for CRA funds, by the CRA Board.

<b>STAFF RECOMMENDATION:</b> Approve Ordinance 2015-05-06
---

<b>REVIEWED BY CITY MANAGER:</b>
----------------------------------

<b>COUNCIL ACTION:</b>
------------------------

<b>MOTION BY:</b>
-------------------

<b>SECOND BY:</b>
-------------------



**ORDINANCE 2015-05-06**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GROVELAND, FLORIDA, CREATING CHAPTER 25 TO BE ENTITLED ECONOMIC DEVELOPMENT AND BUSINESS INCENTIVES GRANTING AUTHORITY TO AWARD ECONOMIC DEVELOPMENT AND BUSINESS INCENTIVES; PROVIDING DEFINITIONS; SETTING FORTH A PROCESS; REPEALING RESOLUTION 2015-03-02 RELATING TO ECONOMIC DEVELOPMENT AND BUSINESS INCENTIVES; PROVIDING FOR SEVERABILITY, CONFLICT AND CODIFICATION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Chapter 166, Florida Statutes, authorizes municipalities to adopt ordinances and resolutions to protect the citizen's health, safety and welfare, in exercise of the Town's police power; and

**WHEREAS**, the Florida Legislature found that Florida faces increasing competition from other states and other countries for the location and retention of private enterprises that there is a need to enhance and expand economic activity in the municipalities of this state by attracting and retaining manufacturing development, business enterprise management, and other activities conducive to economic promotion, in order to provide a stronger, more balanced, and stable economy in the state of Florida, to enhance and preserve purchasing power and employment opportunities for the residents of this state, and to improve the welfare and competitive position of the state of Florida; and

**WHEREAS**, the Legislature declared that it is necessary and in the public interest to facilitate the growth and creation of business enterprises in the municipalities of the state of Florida, and

**WHEREAS**, §166.021(9), *Florida Statutes* authorizes the City to expend public funds to attract and retain business enterprises; and

**WHEREAS**, the Florida Legislature has stated that the use of public funds toward the achievement of such economic development goals constitutes a public purpose; and

**WHEREAS**, it constitutes a public purpose to expend public funds for economic development activities, including, but not limited to, developing or improving local infrastructure, and making grants to private enterprises for the expansion of businesses existing in the City of Groveland or the attraction of new businesses to the City of Groveland; and

**WHEREAS**, the City has determined that it is in the best interests of the City of Groveland to implement a variety of economic incentives to assist private enterprises in the City to expand their businesses and to attract new businesses to the City; and

**WHEREAS**, the City has also determined that it is in the best interest of the City of Groveland to broaden its business and industrial tax base which further benefits all residents in the City by better distributing the burden of taxes.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GROVELAND, FLORIDA AS FOLLOWS:

**Section 1: Recitals.** The above recitals are true and correct and, by this reference, are hereby incorporated into and made an integral part of this ordinance by setting forth the authority and purpose of this ordinance.

**Section 2: Economic Development and Business Incentives.**

That Chapter 25 of the Code of Ordinances of the City of Groveland, is hereby created to read:

**CHAPTER 25 – ECONOMIC DEVELOPMENT AND BUSINESS INCENTIVES**

**Sec. 1-1. Definitions.** As used in this Chapter, the following definitions shall apply:

*Building permit fees* means those fees charged by the City of Groveland for construction, erection modification, repair and demolition activities within the City which are governed under the Florida Building Code and charged pursuant to Florida Statutes and as adopted by the City in resolution.

**Sec. 1-2. General authority and administration.**

- a. The City Council and the CRA of the City of Groveland may each budget funds for economic development and incentive purposes. The award of funds is contingent upon available funding.
- b. The City Council of the City of Groveland may approve owners, tenants, businesses or industries to receive funds under this chapter as it deems necessary to fulfill the purposes of this chapter.
- c. The CRA of the City of Groveland and the City Council, when applicable, may approve owners, tenants, businesses or industries to receive funds under this chapter as it deems necessary to fulfill the purposes of this chapter.
- d. Applications for economic development and incentive funds can be obtained from the City and submitted to the community development department unless otherwise directed by the city manager. After confirmation by the city manager or designee that such application meets the requirements of this chapter, the city manager or designee shall schedule final approval of the award before the City Council, and if appropriate, before the CRA. An applicant may apply for any or all of the incentives set forth in this chapter. An applicant applies by submitting a letter to the City detailing the nature of its business, the specific incentive(s) the applicant is seeking, how it meets the criteria for the incentive(s), and explaining why the City Council and if applicable, the CRA should grant economic development and business incentives. The decision on any application will be determined by the City Council and if applicable, the CRA, on a case by case basis in its/their sole discretion.

### **Sec. 1-3. Incentives.**

The following incentives are authorized:

**a. New Buildings or Building Expansions:**

- i. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that constructs a new building, or expands its building a minimum of 25% or 4,000 square feet, whichever is less, is eligible to apply for and receive if awarded, a credit, waiver or rebate of up to 100% of the building permit fee retained by the City of Groveland and not paid to a third party which are charged for the new building or expansion. If a credit is granted the credit will be applied towards development application fees (excluding any portion paid for hard costs such as recording, notifications, advertising). The City of Groveland, may, in its sole discretion, agree to pay on the applicant's behalf that portion of a building permit fee referenced in this subsection that is paid to a third-party and not retained by the City.
- ii. For purposes of this incentive, the minimum expansion required must be for the purpose of creating additional space for business purposes including but not limited to office space, retail space, manufacturing space, and does not include space for bathrooms, break rooms, closets, unless a minor part of the expansion as determined by the City in its sole discretion. Any rebate will be paid by the City within 30 days after the City issues a certificate of occupancy for the new or expanded building.
- iii. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that expands its building a minimum of 25% or 4,000 square feet, whichever is less, is eligible to apply for and receive, if awarded, a credit, waiver or rebate up to 100% of the building permit fee, retained by the City of Groveland and not paid to a third party, which are charged for internal or exterior renovations to the existing building, not the expansion. If a credit is granted, the credit will be applied towards development application fees (excluding any portion paid for hard costs such as recording, notifications, advertising). The City of Groveland, may, in its sole discretion, agree to pay on the applicant's behalf that portion of a building permit fee referenced in this subsection that is paid to a third-party and not retained by the City. Any rebate will be paid by

the City within 30 days after the City issues a certificate of occupancy for the expanded building.

- iv. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that constructs a new building, or expands its building a minimum of 25% or 4,000 square feet, whichever is less, is eligible to apply for and receive if awarded, an extension from issuance of building permit to issuance of certificate of occupancy to pay any water, wastewater and administrative impact fees due the City of Groveland.
- v. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that constructs a new building, or expands its building a minimum of 25% or 4,000 square feet, whichever is less, is eligible to apply for and receive if awarded, financing of impact fees. Impact fees may be financed over a period of five years with interest being set anywhere between zero percent and the prime rate based on the size of the project. Payments of principal and interest may be scheduled monthly, quarterly, semi-annually, or annually as determined by the City after discussions with the applicant, and may be amortized over time within a 1 to 5 year period
- vi. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that constructs a new building or expands its building with a total project size (new and existing) of no less than 40,000 square feet and total financial investment in excess of \$3,000,000, is eligible to apply for and receive if awarded, payment on its behalf by the City of Groveland of any City imposed impact fees and transportation impact fees. For purposes of this subsection total financial investment means: fair market value of the real property, and construction costs certified by project engineer and accepted by city engineer.

b. **Infrastructure:**

Any owner constructing a building or group of buildings (complex) for commercial or industrial use business(es), as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, for which off-site infrastructure improvements (i.e. water and wastewater line extensions, off-site retention, traffic control devices, or other like improvements) are necessary is eligible to apply for and receive if awarded, City assistance. Assistance includes but is not limited to a financial contribution, construction of improvements, and will be determined by City on a case by case basis.

c. **Public/Private Partnership:**

The City will consider a public/private partnership with an owner or developer for the purpose of planning, developing and constructing a complex of buildings that's primary use will be industrial and/or commercial. The City Council, and if applicable, the City of Groveland CRA in conjunction with City Council, will assess each public/private partnership on a case by case basis. Examples of a public/private partnership include, but are not limited to: development of a plan for City owned property that conveys the majority of the property to a developer at below market value in exchange for the developer constructing a certain type of public facility (theatre, community center, public plaza, etc.) that will be part of the development, but owned by the City/CRA.

d. **Industrial/Commercial Businesses – Lease:**

- i. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that establishes a new business in the City of Groveland or relocates its business to the City of Groveland, leases its business space and constructs internal or exterior renovations of the business space is eligible to apply for and receive if awarded, a waiver or rebate of up to 100% of the building permit fee paid for the internal and external renovations which is retained by the City of Groveland and not paid to a third party, up to \$10,000. This is a matching award up to \$10,000. Therefore, the amount contributed by the City will be based on the business's demonstrated expenditure of funds for internal and external renovations to the business space. The business will demonstrate the amount of its expenditures by providing the City receipts and other requested documentation.
- ii. Any Commercial or Industrial use business, as provide in Chapter 153 of the Code of Ordinances of the City of Groveland, that establishes a new business in the City of Groveland or relocates its business to the City of Groveland, and leases its business space is eligible to apply for and receive if awarded, a waiver or rebate of up to 100% of development application fees (excluding any portion paid for hard costs such as recording, notifications, advertising). This is a matching award up to 100% of development applicant fees. Therefore, the amount contributed by the City will be based on the business's demonstrated expenditure of funds for establishing or relocating its business to the business space. The

business will demonstrate the amount of its expenditures by providing the City receipts and other requested documentation

e. **Industrial/Commercial Businesses –Tenant/Lessee or Owner:**

- i. Any property owner that lease its property to a tenant who establishes a new Commercial or Industrial business or relocates its Commercial or Industrial business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, in the City of Groveland or the City of Groveland's CRA district, and the property owner constructs internal or exterior renovations of the business space is eligible to apply for and receive if awarded, a waiver or rebate up to 100% of the building permit fee paid for the internal and exterior renovations which is retained by the City of Groveland and not paid to a third party, up to a maximum rebate of \$10,000. The City Council or CRA and City Council, may, in its sole discretion, agree to pay on the applicant's behalf that portion of a building permit fee referenced in this subsection that is paid to a third-party and not retained by the City.
- ii. Any property owner that leases its property to a tenant who establishes a new Commercial or Industrial use business in or relocates its Commercial or Industrial business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, to the City of Groveland or City of Groveland CRA district, is eligible to apply for and receive if awarded, a waiver or rebate of up to 100% of development application fees (excluding any portion paid for hard costs such as recording, notifications, advertising).

**Section 3: Severability** If any portion of this ordinance is declared invalid or unenforceable, then to the extent it is possible to do so without destroying the overall intent and effect of this ordinance, the portion deemed invalid or unenforceable shall be severed here from and the remainder of this ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

**Section 4: Conflict** All ordinances or parts of ordinances, resolutions or parts of resolutions, which are in conflict with this ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinances, in which case those ordinances so affected shall be hereby repealed in their entirety.

**Section 5: Codification** It is the intent of the City Council of the City of Groveland that the provisions of this chapter shall become and made a part of the City of Groveland Code

of Ordinances; and grants authority to the codifier to renumber or reletter sections, and change the words in this ordinance to section, article, chapter or such other appropriate word or phrase in order to accomplish such intentions.

**Section 6: Effective Date**

This Ordinance shall become effective immediately upon final adoption by the City Council of the City of Groveland.

PASSED AND ORDAINED in regular session of the City Council of the City of Groveland, Lake County, Florida, this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
HONORABLE TIM LOUCKS, MAYOR  
City of Groveland, FL

ATTEST:

\_\_\_\_\_  
Teresa Begley  
City Clerk

Approved as to Form:

\_\_\_\_\_  
Anita Geraci-Carver  
City Attorney

Passed First Reading\_\_\_\_\_

Passed Second Reading\_\_\_\_\_

Council Member \_\_\_\_\_ moved the passage and adoption of the above and foregoing Ordinance. Motion was seconded by Council Member \_\_\_\_\_ and upon roll call on the motion the vote was as follows:

	YEA	NAY
John Griffin		
Tim Loucks		
James Smith		
Dina Sweatt		
Evelyn Wilson		